ANCHOR LAND HOLDINGS, INC.

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

AND

INFORMATION STATEMENT (SEC FORM 20-IS)

June 25, 2015
At 9:00 a.m.
Manila B, Makati Shangri-La Manila
Ayala Avenue cor. Makati Avenue, Makati City, Philippines

ANCHOR LAND HOLDINGS, INC.
11th Floor L.V. Locsin Building, 6752 Ayala Ave. cor. Makati Ave., Makati City
Phone: (02)-988-7988

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO OUR STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of **Anchor Land Holdings, Inc.** (the "Company") will be held at **Manila B, Makati Shangri-La Manila, Ayala Avenue cor. Makati Avenue, Makati City, Philippines on June 25, 2015, at 9:00 a.m.** with the following agenda:

1. Call to order;
2. Proof of notice and due calling of meeting;
3. Determination of a quorum;
4. Approval of the Minutes of the Regular Meeting of the Stockholders held on June 26,2014;
5. Report of the President;
6. Presentation and approval of the Financial Statements as of December 31, 2014;
7. Ratification of acts of the Board of Directors and Officers;
8. Election of the members of the Board of Directors;
9. Appointment of external auditors;
10. Other Matters; and,
11. Adjournment.

Minutes of the Regular Meeting of the Stockholders held on June 26, 2014 will be available for examination during office hours at the Office of the Corporate Secretary.

The Board has fixed the close of business hours on June 3, 2015 as the record date for the determination of stockholders entitled to notice of meeting and to vote at the specified election date.

In accordance with Section 7 of Article II of the Company's By-Laws and for purposes of election of the Board of Directors, any and all nominations shall be submitted to and received at the principal office of the Company on or before the date of the meeting, addressed to the attention of the Corporate Secretary.

Registration starts at 7:30 a.m. Please bring this notice and any form of identification such as driver's license, TIN card, passport, etc. to facilitate registration.

Makati City, May 18, 2015.

Christine P. Base

CHRISTINE P. BASE
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

Information Statement
of
ANCHOR LAND HOLDINGS, INC.
Pursuant to Section 20 of the Securities Regulation Code

1. Check the appropriate box:
   Preliminary Information Statement
   X Definitive Information Statement

2. Name of Registrant as specified in its charter: **ANCHOR LAND HOLDINGS, INC.**

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

4. SEC Identification Number: **CS-200411593**

5. BIR Tax Identification Code: **232-639-838**

6. **11th Floor, L.V. Locsin Building, 6752 Ayala Avenue cor. Makati Avenue, Makati City, Philippines**
   Address of principal office

7. Registrant's telephone number, including area code **(02) 988-7988**

8. **June 25, 2015 at 9:00 a.m., Manila B, Makati Shangri-La Manila, Ayala Avenue cor. Makati Avenue, Makati City, Philippines**
   Date, time and place of the meeting of security holders

9. Approximate date on which the Information Sheet is first to be sent or given to security holders:
   June 3, 2015

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

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding (As of December 31, 2014)
Common Stock, Php1.00 par value	**1,040,001,000 shares**
Preferred Shares, Php1.00 par value	**346,667,000 shares**
Loans Payable	**₱8,477,274,832**

11. Are any or all of registrant's securities listed on a Stock Exchange?
    Yes _X_ No ___
    If yes, disclose the name of such Stock Exchange and the class of securities listed therein: **Philippine Stock Exchange, Common shares**

ANCHOR LAND HOLDINGS, INC.
INFORMATION STATEMENT

A. GENERAL INFORMATION

ITEM 1: DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS

Date : June 25, 2015
Time : 9:00a.m.
Place : **Manila B, Makati Shangri-La Manila,Ayala Avenue cor. Makati Avenue, Makati City, Philippines**
Principal Office: 11th Floor, L.V. Locsin Building, 6752 Ayala Avenue cor. Makati Avenue, MakatiCity, Philippines

Approximate Date of Distribution to Security Holders: June 3, 2015

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY

ITEM 2: DISSENTER'S RIGHT OF APPRAISAL

There are no matters to be acted upon at the meeting involving instances set forth in the Corporation Code of the Philippines for which a stockholder may exercise the right of appraisal.

Pursuant to *Section 81 Title X, Appraisal Right, Corporation Code of the Philippines*, any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances: (1) in case of any amendment to the articles of incorporation that has the effect of changing or restricting the rights of any stockholder or class of shares, or authorizing preferences in any respect superior to those of outstanding shares of any class, or extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets, and (c) in case of merger.

Section 82 of the Corporation Code also provides that, this appraisal right may be exercised by any stockholder who shall have voted against the proposed action, by making a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares. Failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed action is implemented or affected, the corporation shall pay to such stockholder, upon surrender of the certificate or certificates of stock representing his shares, the value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made. No payment shall be made to the dissenting stockholder unless the bank has unrestricted retained earnings in its book to cover such payment. Upon payment by the Corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the Corporation.

From the time of demand for payment of the fair value of a stockholder's shares until either the abandonment of the corporate action involved or the purchase of the said shares by the corporation, all rights accruing to such shares, including voting and dividend right, shall be suspended, except the right of such stockholder to receive payment of the fair value thereof: Provided, that if the dissenting stockholder is not paid the value of his shares within 30 days after the award, his voting right and dividend rights shall immediately be restored (*Section 83 of the Corporation Code).*

Within ten (10) days after demanding payment of his shares, a dissenting stockholder shall submit the certificate(s) of stock representing his shares to the Corporation for notation thereon that such shares are dissenting shares. His failure to do so shall, at the option of the Corporation, terminate his appraisal right *(Section 86, Corporation Code)*. No demand for payment as aforesaid may be withdrawn by the dissenting stockholder unless the Corporation consents thereto *(Section 84, Corporation Code)*.

The appraisal right shall be exercised in accordance with Title X of the Corporation Code.

ITEM 3.INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON

Other than the election to office, there is no matter to be acted upon during the Annual Stockholders' Meeting to which a beneficial owner, director or officer has any substantial interest.

No director has informed the Company in writing of his intentions to oppose any action to be taken by the Company during the Annual Stockholders' Meeting.

B. CONTROL AND COMPENSATION INFORMATION

ITEM 4.VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As of April 30, 2015,there are 1,040,001,000 subscribed, issued and outstanding common shares and 346,667,000 subscribed, issued and outstanding preferred shares entitled to vote at the meeting, with each share entitled to one vote.

All stockholders of record at the close of business hours on May 21, 2015 shall be entitled to cumulative voting rights with respect to the election of directors. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company as of May 21, 2015 multiplied by the whole number of directors to be elected.

Security Ownership of Certain Record & Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners of more than 5%

There were no delinquent stocks, and the direct and indirect record and beneficial owners of more than five percent (5%) of the Company's voting securities as of April 30, 2015 are as follows:

Name and address of record owner and relationship with issuer	Name of beneficial owner and relationship with record owner	Citizenship	Title of class	No. of shares	Percentage held per class	Percentage held out of the total outstanding common shares
LTC Prime Holdings, Corporation 15/F LV Locsin Bldg., Ayala Avenue cor. Makati Avenue, Makati City		Filipino	Common Preferred	360,402,144 120,134,048	34.65% 34.65%	34.65%
Sybase Equity Investments Corporation 10th Floor One ECom Center, Harbor Drive, MOA Complex, Pasay City		Filipino	Common Preferred	202,609,200 67,609,400	19.48% 19.50%	19.49%
Steve Li Rm. 16-A Ocean Tower, Roxas Boulevard, Manila	Steve Li	Hong Kong National	Common Preferred	156,000,000 52,000,000	15.00% 15.00%	15.00%
Cindy Sze Mei Ngar Rm. 21B Ocean Tower, Roxas Boulevard, Manila	Cindy Sze Mei Ngar	British	Common Preferred	155,999,298 51,999,766	15.00% 15.00%	15.00%
PCD Nominee Corporation (Non-Filipino)	Various clients and PDTC participants who hold the shares in behalf of their clients.	Non-Filipino	Common	64,463,250	6.19%	6.19%

As of April 30, 2015, the following are known to the Company as participants of the PCD holding 5% or more of the Company's common shares:

Member Name / Address	Title	No. of Shares	Percentage Held
Lucky Securities Corporation Unit 1402 B, Philippine Stock Exchange Center, Exchange Road, Pasig City	Common	207,663,500	44.79%
BDO Securities Corporation 27th Floor, Tower One, Ayala Avenue, Makati City	Common	66,782,204	14.4%
The Hongkong and Shanghai Banking Corp. Ltd. - Clients' Acct. HSBC Securities Services 12th Floor, The Enterprise Center, Tower I 6766 Ayala Avenue cor. Paseo de Roxas, Makati City	Common	62,307,000	13.44%
COL Financial Group, Inc. 2701-A East Tower, Philippine Stock Exchange Center, Exchange Road, Pasig City	Common	60,886,202	13.13%
Eastern Securities Development 1701 Tytana Center Building, Binondo, Manila,	Common	60,261,150	13.00%
TOTAL		457,900,056	98.76%

(2) Security Ownership of Management

The following is a summary of the aggregate shareholdings of the Company's directors and executive officers in the Company and the percentage of their shareholdings as of April 30, 2015:

Name of Beneficial Owner / Address	Citizenship	Title of Class	Amount and Nature of Beneficial Ownership	Percentage Per Class of Share	Percentage Held Out of the Total Outstanding Shares
Jose Armando Melo Chairman/Director 11/F LV Locsin Bldg., Ayala Avenue, Makati City	Filipino	Common	900 Direct	0.00%	0.00%
Steve Li Vice-Chairman/Director Rm. 16-A Ocean Tower, Roxas Boulevard, Manila	Hong Kong National	Common Preferred	156,000,000 Direct 52,000,000 Direct	14.42% 15.00%	15.00%

Name of Beneficial Owner / Address	Citizenship	Title of Class	Amount and Nature of Beneficial Ownership	Percentage Per Class of Share	Percentage Held Out of the Total Outstanding Shares
Stephen Lee Keng Chairman Emeritus/Director Rm. 21B Ocean Tower, Roxas Boulevard, Manila	Hong Kong National	Common Preferred	15,600,690 Direct 5,242,230 Direct	1.50% 1.51%	1.50%
Christine P. Base Corporate Secretary/Director 8/F Chatham House, 116 Valero St., Salcedo Village, Makati City	Filipino	Common Preferred	300,003 Direct 100,000 Direct	0.00% 0.00%	0.00%
Peter Kho Treasurer/Director 2/F Don Paquito Bldg., 99 Dasmariñas St., Binondo, Manila	Filipino	Common	3 Direct	0.00%	0.00%
Digna Elizabeth Ventura President/Director 11/F LV Locsin Bldg., Ayala Avenue, Makati City	Filipino	Common Preferred	300 Direct 100 Direct	0.00% 0.00%	0.00%
Charles Stewart Lee Director 11/F LV Locsin Bldg., Ayala Avenue, Makati City	British National	Common	900 Direct	0.00%	0.00%
Solita V. Delantar Independent Director 7818 Beachwood Street, Gemblock, Phase 2 , Marcelo Green Village, Parañaque City 1700	Filipino	Common	15,003 Direct	0.00%	0.00%
Frances S. Monje Independent Director 36 First St., St. Ignatius Village, Q.C.	Filipino	Common	30,003 Direct	0.00%	0.00%
Neil Chua Chief Financial Officer/Director 11/F LV Locsin Bldg., Ayala Avenue, Makati City	Filipino	Common Preferred	5,400 Direct 1,800 Direct	0.00% 0.00%	0.00%

Name of Beneficial Owner / Address	Citizenship	Title of Class	Amount and Nature of Beneficial Ownership	Percentage Per Class of Share	Percentage Held Out of the Total Outstanding Shares
Edwin Lee	Filipino	Common	3,000	0.00%	0.00%
Director			Direct		
54 Angeles St. Alabang		Preferred	1,000	0.00%	
Hills, Muntinlupa City			Direct		
TOTAL FOR THE GROUP					16.54%

(3) Voting Trust Holders of 5% or More

There is no voting trust or similar arrangement executed among holders of five percent (5%) or more of the issued and outstanding shares of common stock of the Company.

ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

Except in cases where a higher vote is required under the Corporation Code, the approval of any corporate action shall require the majority vote of all the stockholders present in the meeting, if constituting a quorum.

Except in cases where voting by ballot is applicable, voting and counting shall be *viva voce*. If by ballot, the counting shall be supervised by the external auditors and transfer agent of the Company.

In the election of directors, each common shareholder of record as of May 21,2015 is entitled to as many votes as there are directors to be elected. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

All proxies must be in the hands of the Secretary at least ten (10) days before the time set for the meeting. Such proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary prior to a scheduled meeting or their personal attendance at the meeting *(Par. 2 Section 7, By-Laws).*

A forum for validation of proxies chaired by the Corporate Secretary or Assistant Corporate Secretary and attended by the Stock and Transfer Agent shall be convened seven (7) days before any meeting. Any questions and issues relating to the validity and sufficiency, both as to form and substance, of proxies shall only be raised during said forum and resolved by the Corporate Secretary. The Corporate Secretary's decision shall be final and binding upon the shareholders. Any such question or issue decided upon by the Corporate Secretary shall be deemed settled and those not brought before said forum shall be deemed waived and may no longer be raised during the stockholder's meeting *(Par. 3 section 7, By-Laws).*

(1) Board of Directors and Executive Officers

The incumbent directors, including independent directors and executive officers of the Company are as follows:

Name	Age	Office	Year of Assumption of Office	No. of Years/Month
Stephen Lee Keng	51	Director	2007	8 years
		Chairman Emeritus	2014	1 year
Jose Armando Melo	83	Independent Director	2014	1 year
		Chairman of the Board	2014	1 year
Charles Stewart Lee	25	Director	2014	10 months
Steve Li	45	Director	2007	8 years
		Vice Chairman	2007	8 years
		Chief Executive Officer	2013	2 years
Digna Elizabeth L. Ventura	42	Director	2011	3 years & 9 months
		President	2011	3 years & 9 months
PeterKho	40	Director	2007	8 years
		Treasurer	2007	8 years
Christine P. Base	44	Director	2007	8 years
		Corporate Secretary	2007	8 years
Frances S. Monje	71	Independent Director	2007	7 years & 10 months
Solita V. Delantar	72	Independent Director	2007	7 years & 10 months
Neil Y. Chua	44	Director	2013	1 year &10 months
		Chief Finance Officer	2009	5 years & 7 months
Edwin Lee	57	Director	2013	2 years
Ronaldo A. Ortiz	40	Corporate Affairs Manager& Compliance Information Officer	2011	3 years & 11 months
Perla L. Patingo	50	Human Resources Development Department & Administrative Manager	2015	1 month
Reynaldo F. Villanueva, Jr.	44	Assistant Vice President for - Engineering Department	2009	5 years & 11 months
Benjamin Z. Uy	45	Assistant Vice President - Corporate Finance	2011	4 years & 5 months

The Company has adopted SRC Rule 38 and SEC Circular No. 16, Series of 2002 on the Guidelines on Nomination and Election of Independent Directors as stated in the By-laws and Manual on Corporate Governance of the Corporation. The following are the procedures for the nomination and election of independent directors of the Company:

A. All nominations for directors to be elected by the Stockholders of the Corporation shall be submitted in writing to the Corporate Secretary of the Corporation at the principal office of the Corporation not earlier than forty (40) days nor later than twenty (20) days prior to the date of the regular or special meeting of stockholders for the election of directors. Nominations which are not submitted within such nomination period shall not be valid. Only stockholder of record entitled to notice and vote at the regular or special meeting of the stockholders for the election of the directors shall be qualified to be nominated and elected a director of the Corporation *(Section 9, By Laws).*

B. All nominations shall be signed by the nominating stockholder/s together with the acceptance and conformity of the would-be nominees (SRC Rule 38). After the nomination, the Nomination Committee shall prepare a Final List of Candidates, which shall contain all the information about all the nominees for independent directors. The list shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, or in such other reports the Corporation is required to submit to the Commission. The name of the person or group of person who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee.

C. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as an Independent Director. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

D. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing an independent director. He shall ensure that an independent director is elected during the stockholders' meeting.

E. The specific slot for an independent director shall not be filled-up by the unqualified nominees.

F. The decision of the Nomination Committee, once confirmed by the Board of Directors, shall be final and binding upon the shareholders and may no longer be raised during the stockholders' meeting *(Section 10, By-Laws).*

G. In case of failure of election for the independent director, the Chairman of the Meeting shall call a separate election during the same meeting to fill-up the vacancy.

The nominees for independent directors of the Company are Violeta J. Josef and Ma. Victoria A. Villaluz. They are nominated by Stephen Lee Keng, a shareholder of the Company; and, to the Company's knowledge, there is no relationship between the nominees for independent directors and Mr. Keng.

The members of the Nomination Committee are as follows:

1. Stephen Lee Keng	-	Chairman
2. Steve Li	-	Member
3. Frances S. Monje	-	Member

DIRECTORS AND EXECUTIVE OFFICERS

The following are the business experiences and positions held by the Directors and Executive Officers for the past five (5) years:

STEPHEN LEE KENG, Hong Kong National, 51 years old, was the Chairman of the Board of Directors since 2007 until June 2014. He was elected as Chairman Emeritus of the Board of Directors in 2014 and is currently the Chairman of the Nomination Committee. He is also the Chairman of S & A International Holdings LTD and Chairman of VS Group of Companies (Philippines).

JOSE ARMANDO R. MELO, Filipino, 83 years old, was formerly an Associate Justice of the Supreme Court of the Philippines. He was the Chairman of the Commission on Elections from 2008-2011; the Chairman of the Melo Commission (Extra-Judicial Killings) from 2006-2007; the Chairman and Director of the Philippine National Oil Commission-Exploration Corporation from 2004-2008; the Chairman of the Board of Advisers of Philippine National Bank from 2002-2005; and was formerly a Director of Clark Development Corporation in 2011. He graduated fromthe Manuel L. Quezon University where he obtained his Bachelor of Law Degree. He earned his Masters of Law degree from the University of Santo Tomas.

STEVE LI, Hong Kong SAR National, 45 years old, is the Vice-Chairman and Chief Executive Officer since 2007 and 2013, respectively. He is concurrently the managing Director of MFT International Ltd. (Hong Kong) and Managing Director of MFT Industrial Ltd. (Xiamen, China). Mr. Li graduated from York University, Toronto, Canada with a Bachelor's Degree in Business Administration major in Finance and Accounting.

DIGNA ELIZABETH L. VENTURA, Filipino, 42 years old, is the President of Anchor Land Holdings, Inc. since August 15, 2011. She has served as Asst. Vice President from July 2005 and as Vice President from 2009 for Sales & Marketing. Prior to joining the Company, she was the Sales Director of Filinvest, Inc., Sales and Marketing Manager of the Waterfront Hotel and Megaworld Properties and Holdings, Inc. Ms. Ventura earned her Bachelor of Science Degree in Hotel and Restaurant Management from the University of Santo Tomas.

PETER KHO, Filipino, 40 years old, was the Company Treasurer since April 10, 2007. He likewise serves as the Managing Partner of Guico & Kho Law Offices, as President and Chief Executive Officer of Discovery Mall Corporation and of Best Buy Office Equipment Corporation, and as Vice-President of Justice Corporation. He is a member of the Federation of Filipino Chamber of Commerce & Industry Inc. (FFCCI) and of the Philippine Chamber of Commerce and Industry (PCCI). Mr. Kho obtained his Bachelor of Laws and Bachelor of Economics and Development Studies from the Ateneo de Manila University. He was admitted to the Integrated Bar of the Philippines on April 30, 2002.

FRANCES S. MONJE, Filipino, 71 years old, is an Independent Director and a member of the Nomination Committee. Ms. Monje is currently a Business Management Consultant. She previously worked with Sycip, Gorres, Velayo & Co. from 1967 until her early retirement in 1999 as a Partner in the Business Consulting Group where she undertook various projects with multilateral institutions like ADB, World Bank, USAID and others. She is also the district Treasurer of ZONTA District 17.She has held various positions in the Philippine Institute of Public Accountants and was a Director of AIM Alumni Association as well as thePresident/Director of the Philippine Association of Management Accountants. Ms. Monje is a Certified Public Accountant, having obtained her Business Management Administration, major in Accounting from the University of the Philippines. She took her Masters from the Asian Institute of Management.

SOLITA VILLAMAYOR DELANTAR, Filipino, 72 years old, is an Independent Director and the Chairman of the Audit Committee. She served as a Member of the Professional Board of Accountancy from September 1998 to March 2007. She was elected and served as a member of CHRM Board of Trustees from 2006 to2010. She was also the National President of PMAP in 1994 and was theVice President for Operations of PICPA. She was President of Triennium 2010-2012 of the Girl Scouts of the Philippines and Friends Foundation, Inc. Ms. Delantar also previously served as Vice-President, Human Resources Management & Development Administration (November 1999-September 2003), Consultant (July 1997-July 1998), Vice-President, Finance & Administration (May 1988-June 1996) and various other positions at Honda Philippines, Inc. Currently, she is the Treasurer of the Foundation for Triennium for 2013-2015. Ms. Delantar is a Certified Public Accountant, a Diplomate in Personnel Management and a Certified Professional Business Mediator. She graduated from the Far Eastern University with a degree in Bachelor of Science in Commerce major in Accounting.

CHRISTINE P. BASE, Filipino, 44 years old, is the Corporate Secretary and a member of the Audit Committee since April 10, 2007. She is currently a Corporate and Tax Lawyer at Pacis and Reyes, Attorneys and the Managing Director of Legisforum, Inc. She concurrently serves as the Corporate Secretary of Araneta Properties, Inc., Active Alliance Incorporated, Asiasec Equities, Inc. and Ever-Gotesco Resources and Holdings, Inc. as well as the Compliance Officer of Bloomberry Resorts Corporation. She also acts asa Director and/or Corporate Secretary of several other private corporations. She was an Auditor and then a Tax Lawyer of Sycip, Gorres, Velayo& Co. She is a graduate of Ateneo De Manila University School of Law with a degree of Juris Doctor. She passed the Bar Examination in 1997. Ms. Base is also a Certified Public Accountant. She graduated from De La Salle University with a degree in Bachelor of Science in Commerce major in Accounting.

NEIL Y. CHUA,Filipino, 44 years old, is a Director and the Chief Finance Officer since 2013 and 2009, respectively. He was a Senior Manager at KPMG, Auckland, New Zealand from March 2008 to May 2009; and at Purwantono, Sarwoko & Sandjaja/Ernst & Young, Indonesia from October 2002 to February 2008. He was also an Andersen Worldwide Manager of Prasetio, Utomo & Co/Andersen, Indonesia and a supervisor at SGV & Co/Arthur Andersen, Philippines from November 1991 to September 1996. Mr. Chua obtained his Bachelor of Accountancy from the University of San Carlos Cebu City. He is also a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants since 1992.

EDWIN LEE, Filipino, 57 years old, was elected as a Director on June 28, 2012 but only assumed office on April 2, 2013 after the SEC approved the amendment of the Company's Articles of Incorporation which effectively increased the number of Directors from seven (7) to nine (9). He is currently serving as the Senior Assistant Vice President at the Office of the President of SM Investments Corporation. He graduated from De La Salle University with a Bachelor of Science Degree in Commerce major in Business Management.

CHARLES STEWART LEE, British, 25 years old, is currently the Director of Pacific Apex Food Ventures, Inc. Mr. Lee studied at the University of Southern California, Los Angeles, California, USA where he obtained his Business of Arts Degree in Social Science with emphasis in Economics.

(2) Independent Director

Three (3) incumbent directors of the Company, namely Jose Armando R. Melo, Mesdames Solita V. Delantar and Frances S. Monje, are the Independent Directors for the year 2014-2015. They are not employees of the Company and do not have any relationship with the Company, which would interfere with the exercise of their independent judgment in carrying out the responsibilities of a director.

The following are nominated for election to the Board of Directors during this year's Annual Stockholders' Meeting:

1.	Stephen Lee Keng	Director
2.	Steve Li	Director
3.	Digna Elizabeth Ventura	Director
4.	Christine P. Base	Director
5.	Peter Kho	Director
6.	Edwin Lee	Director
7.	Neil Y. Chua	Director
8.	Charles Stewart Lee	Director
9.	Avelino M. Guzman	Director
10.	Violeta J. Josef	Independent Director
11.	Ma. Victoria A. Villaluz	Independent Director

The nominees for independent directors for this year's Annual Stockholders' meeting of the Company are Violeta J. Josef, and Ma. Victoria A. Villaluz. They were nominated by Stephen Lee Keng, a shareholder of the Corporation and, to the Company's knowledge; there is no relationship between nominees for independent directors and Mr. Keng.

The term of office of all directors, including independent directors shall be one (1) year until their successors are duly elected and qualified.

(3) Key Officers

The members of the management team, aside from those mentioned above, are as follows:

PERLA L. PATINGO, Filipino, 50 years old, is the Human Resources Development Department and Administrative Manager since April 2015. She served as the Human Resources Manager of General Heat Corporation (La Germania) from July 2014 to February 11, 2015 and of Pozzolanic Philippines, Inc. from November 2012 to July 2014; as the HRAD-Head (AVP) of the Moldex Group of Companies from October 2008 to June 26, 2012; as the HRAD Manager of Arlo Aluminum, Inc. from September 2007 to September 2008; as the Personnel Manager of Capital Garment Corporation from December 2004 to August 2007; as the HRAD Manager of Devex, Inc. from March 2001 to January 2004; as the Personnel Manager of MTJ Apparel Export, Inc. from March 1999 to February 2001; as the Personnel Officer of Singer Industries, Phils., Inc. from March 1994 to March 1998; and as the Personnel Supervisor of FMG Realty and Devt. Corp. from August 1991 to March 1994. She also worked as a Paralegal in Castillo, Castillo and Associates from 1988 to 1991.

RONALDO ADRIAS ORTIZ, Filipino, 40 years old, is the Head of the Corporate Affairs Department. He was a Legal Manager of Star Accounts Management from Oct. 2009-May 2011, an in-house counsel for Sta. Lucia Realty & Development, Inc. from May 2009-October 2009, a Legal Consultant at Bank of Makati (a Rural Bank), Inc. from April 2007-October 2009, an Associate Lawyer at the International Legal Advocates Law Offices from April 2007-October 2009, a freelance litigation lawyer at The Law Firm of Magtanggol C. Gunigundo/ The People's Law Office from April 2007-February 2009, an Associate Litigation lawyer at Padilla Asuncion & Padilla Law Offices from April 2006-April 2007 and a Corporate Counsel at V.V. Soliven Realty Corporation from May 2005-April 2006. He is a graduate of Far Eastern University Institute of Law. He passed the 2004 Bar Examination and took his oath in May 2005. Atty. Ortiz earned his Bachelor of Science in Commerce Major in Business Administration degree at the University of Santo Tomas.

REYNALDO F. VILLANUEVA, JR., Filipino, 44 years old, is the Assistant Vice President for the Engineering Department since July 2009. Prior to joining the Company, he was the Division Manager at Ayala Land, Incorporated from 2008-2009 where he was assigned to handle all hotel projects of Ayala Land, Incorporated. He also worked at Quantuvis Resources Corporation from 2007-2008 and in One Asia Development Corporation from 2000-2007 as Construction Manager and Project Manager. He held the same positions when he worked for Anscor Land Incorporated and DM Consunji, Incorporated. He earned his Masteral units in Project Management from the Ateneo de Manila University and obtained his Bachelor of Science in Civil Engineering from the Mapua Institute of Technology.

BENJAMIN Z. UY, Filipino, 45 years old, is the Assistant-Vice President for Corporate Finance. He is responsible for the long term financial planning, budgeting, new capital raising and investor relations of the Company, among others. He has been with ALHI since January 2011. Prior to this, he was the Managing Director for Financial Advisors Incorporated (FAI) from 2003-2010. Mr. Uy obtained his Bachelor of Science in Architecture from the University of Santo Tomas and took his Masters in Business Management major in Finance from the Asian Institute of Management.

(4) Family Relationships

Aside from Mr. Charles Stewart Lee and Mr. Stephen Lee, there are no family relationships, either by affinity or consanguinity up to the fourth civil degree among the directors, executive officers and persons nominated and chosen by the Company to become directors and executive officers.

(5) Involvement in Certain Legal Proceedings

To the knowledge of the Company, there has been no occurrence of any of the following events during the past five (5) years up to the present which are material to an evaluation of the ability and integrity of any director, any person nominated to become director, executive officer or control person of the Company:

1. Any insolvency or bankruptcy petition filed by or against any business of which such person was a general partner or executive officer whether at the time of insolvency or within two (2) years prior to that time;

2. Any conviction by final judgment in a criminal proceeding, domestic or foreign, in any pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;

3. Any final and executory order, judgment or decree of any court of competent jurisdiction, domestic or foreign, permanently or temporarily, enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities, commodities or banking activities; and

4. Any final and executory judgment by a domestic or foreign court or competent jurisdiction (in a civil action), the SEC, or comparable foreign body, or domestic or foreign exchange or electronic marketplace or self-regulatory organization, for violation of a securities or commodities law.

There are no legal proceedings to which the Company or its subsidiary or any of their properties is involved in or subject to,that would have amaterial effect adverse effect on the business or financial position of the Company or its subsidiary.

(6) Significant Employees

No single person is expected to make a significant contribution to the business since the Company considers the collective efforts of all its employees as instrumental to itssuccess.

(7) Certain Relationships and Related Transactions

As of April 30, 2015, the following is a summary of the director who owns ten percent (10%) or more of the outstanding shares of the Company:

Name of Company and Director	Position Held	Percentage of Voting Securities
Steve Li	Vice Chairman and Chief Executive Officer	15.00%

Related Party Transactions
The Company, in the normal course of business, enters into transactions with its related parties consisting primarily of non-interest bearing advances for working capital requirements. The Company also has non-interest-bearing operating advances from its stockholders.

Outstanding balances with related parties included in the appropriate accounts in the consolidated balance sheets are as follows:

	2014	2013	2012
Advances to related parties	–	–	–
Advances from related parties	–	–	–

No transaction was entered by the Company with parties who are not considered related parties but with whom the Company or its related parties have a relationship that enables the parties to negotiate terms of material transactions.

There were no transactions with promoters in the past five years.

ITEM 6.COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

(1) Compensation Table

Information as to the aggregate compensation of the key management personnel of the Group, which includes all directors, executives and senior management during the last three (3) fiscal years is as follows:

Name and Principal Position	Fiscal Year	Total Group Salary	Total Group Bonus	Other Annual Compensation
1. Steve Li - CEO 2. igna Elizabeth L. Ventura - President 3. eil Y. Chua - CFO 4. eynaldo F. Villanueva - AVP Engineering 5. enjamin Z. Uy - AVP Corporate Finance	Actual 2013 Actual 2014 Projected 2015	₱ 27.3M ₱ 35.7 M ₱ 39.3 M	₱ 2.7 M ₱ 0.9 M ₱ 1.0 M	
All other officers and directors as a group - unnamed	Actual 2013 Actual 2014 Projected	₱8.6 M ₱9.4 M ₱10.5 M		

	2015			
Name and Principal Position	Fiscal Year	Total Group Salary	Total Group Bonus	Other Annual Compensation
1. igna Elizabeth L. Ventura - President	Actual 2012	₱ 20.1 M	₱ 2.7 M	
2. eil Y. Chua - CFO				
3. eynaldo F. Villanueva - AVP Engineering				
4. enjamin Z. Uy - AVP Corporate Finance				
5. onaldo A. Ortiz - Corporate Affairs Assistant Manager				
All other officers and directors as a group - unnamed	Actual 2012	₱2.3 M		

(2) Compensation of Directors

Under the By-Laws of the Company, by resolution of the Board, each director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the Company during the preceding year. Such compensation shall be determined and apportioned among directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.

The total annual compensation of the Board of Directors is ₱6.1 million.

Compensation of key management personnel pertaining to directors' fees and allowances amounted to ₱2.0 million in 2014,₱1.9 million in 2013 and₱1.8 million in 2012.

Other than those mentioned above, there are no other arrangements for compensation either by way of payments for committee participation or special assignments. There are also no outstanding warrants or options held by the Company's Chief Executive Officer and other officers and/or directors.

(3) Employment Contracts and Termination of Employment and Change-in-Control Arrangements

There are no other special contracts of employment between the Company and the named directors and executive officers, as well as special compensatory plans or arrangements, including payments to be received from the Company with respect to any named directors or executive. Employment contracts of all Supervisors and Rank are all hired as long-term employment period until regularization or termination of any cause.

ITEM 7. INDEPENDENT PUBLIC ACCOUNTANTS

Sycip, Gorres, Velayo & Co. (SGV) was the Independent Public Accountant for the year 2014. The reappointment of the said accounting firm as Independent Public Accountant for the incoming year will be submitted to the stockholders for their confirmation and approval. The Partner-in-Charge is Jessie D. Cabaluna. Duly authorized representatives of SGV are expected to be present at the Annual Meeting of Stockholders and they will have the opportunity to make statements if they desire to do so and are expected to be available to respond to appropriate questions.

Under the existing regulation of the Securities and Exchange Commission, the registrant shall change its external auditor or rotate the engagement partner every five years. This is in compliance with the rotation requirement of its external auditor's certifying partner as required under SRC Rule 68 Paragraph 3(B)(ix). Considering that the assigned partner of SGV has been the Corporation's independent public accountant for only two(2) years since year 2013, rotation is not necessary.

The members of the Audit Committee are as follows:

1. Solita V. Delantar	-	Chairman
2. Steve Li	-	Member
3. Christine P. Base	-	Member

ITEM 8.COMPENSATION PLANS

No action with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed for the year shall be discussed during the meeting.

C. ISSUANCE AND EXCHANGE OF SECURITIES

ITEM 9. AUTHORIZATION OR ISSUANCE OF SECURITIES OTHER THAN FOR EXCHANGE

There are no matters or actions to be taken up in the meeting with respect to authorization or issuance securities.

ITEM 10. MODIFICATION OR EXCHANGE OF SECURITIES

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

ITEM 11. FINANCIAL AND OTHER INFORMATION

The audited financial statements as of December 31, 2014, Management's Discussion and Analysis, Market Price of Shares and Dividends and other data related to the Company's financial information are attached hereto.

ITEM 12. MERGERS, CONSOLIDATIONS, ACQUISITIONS AND SIMILAR MATTERS

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

ITEM 13. ACQUISITION OR DISPOSITION OF PROPERTY

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

ITEM 14. RESTATEMENT OF ACCOUNTS

The Company is not taking any action, which involves the restatement of any of its assets, capital or surplus account.

D. OTHER MATTERS

ITEM 15. ACTION WITH RESPECT TO REPORTS

(1) Approval of the Minutes of the 2014Annual Stockholders' Meeting held on June26, 2014covering the following matters:

- (a) Approval of the Minutes of the Regular Meeting of the Stockholders held on July 25, 2013;
- (b) Report of the President;
- (c) Presentation and approval of the Financial Statements as of December 31, 2013;
- (d) Amendment of the Articles of Incorporation and By-Laws of the Company to increase the number of directors from nine (9) to eleven (11);
- (e) Ratification of acts of the Board of Directors and Officers;
- (f) Election of the members of the Board of Directors;
- (g) Appointment of the external auditor;

(2) Resolutions for Ratification by the Stockholders

At the Annual Stockholders' Meeting, stockholders will be asked to approve and ratify all acts of the Board of Directors and management during their term of office. These include, but not limited to, opening and maintaining deposit accounts and/or trust accounts with various banking institutions; obtaining loans/credit accommodations and trust receipt agreements with various banks and approval of signing limits.

ITEM 16. MATTERS NOT REQUIRED TO BE SUBMITTED

Other than election to office, there is no matter to be acted upon during the Annual Stockholders' Meeting to which a beneficial owner, director or officer has any substantial interest.

No director has informed in writing of his intention to oppose any action to be taken during the proposed Annual Stockholders' meeting.

ITEM 17. AMENDMENT OF CHARTER, BY-LAWS OR OTHER DOCUMENTS

There are no amendments in the Articles of Incorporation and/or the By-laws of the Company.

ITEM 18. OTHER PROPOSED ACTIONS

There are no other proposed actions to be taken up in the meeting.

ITEM 19. VOTING PROCEDURES

Except in cases where a higher vote is required under the Corporation Code, the approval of any corporate action shall require the majority vote of all the stockholders present in the meeting, if constituting a quorum.

Except in cases where voting by ballot is applicable, voting and counting shall be *viva voce*. If by ballot, the counting shall be supervised by the external auditors and transfer agent of the Company.

In the election of directors, each common shareholders of record as of June 3, 2015 is entitled to as many votes as there are directors to be elected. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

All proxies must be in the hands of the Secretary at least ten (10) days before the time set for the meeting. Such proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary prior to a scheduled meeting or their personal attendance at the meeting*(Par. 2 Section7, By-Laws).*

A forum for validation of proxies chaired by the Corporate Secretary or Assistant Corporate Secretary and attended by the Stock and Transfer Agent shall be convened seven (7) days before any meeting. Any questions and issues relating to the validity and sufficiency, both as to form and substance, of proxies shall only be raised during said forum and resolved by the Corporate Secretary. The Corporate Secretary's decision shall be final and binding upon the shareholders. Any such question or issue decided upon by the Corporate Secretary shall be deemed settled and those not brought before said forum shall be deemed waived and may no longer be raised during the stockholder's meeting*(Par. 3 section 7, By-Laws).*

UNDERTAKING TO PROVIDE WITHOUT CHARGE A COPY OF THE COMPANY' ANNUAL REPORT

A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A WILL BE PROVIDED WITHOUT CHARGE TO EACH PERSON UPON WRITTEN REQUEST OF ANY SUCH PERSON ADDRESSED TO:

THE OFFICE OF THE CORPORATE SECRETARY
ANCHOR LAND HOLDINGS INCORPORATED
8th Floor, Chatham House,
116 Valero cor. V.A. Rufino St., Makati City

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on May 28, 2015.

ANCHOR LAND HOLDINGS, INC.

By:

CHRISTINE P. BASE
Corporate Secretary

ALHI MANAGEMENT REPORT 2014

Amid changing market dynamics, Anchor Land Holdings Inc. and its subsidiaries showed resilience and continued to witness strong long-term support for its projects in 2014, despite our temporary and anticipated cyclical slowdown in real estate sales.

Thankfully, the Philippine economy remained buoyant, driving demand for our residential condominium projects. As before, real estate sales accounted for bulk of our revenue, reaching ₱3.24 billion, as investors embraced our new offerings, thanks to our customer-centric approach and commitment to excellence and quality. Rental income also rose 7 % to ₱225.7 million with the increased uptake of our commercial facilities such as One Shopping Center, Two Shopping Center, and Mandarin Square. We expect to increase our recurring income with the completion of One Logistic and One Soler in 2015.

Keeping our eyes in the future, we are expecting to spend ₱21 billion in capital expenditures to complete the construction of our current and pipeline projects.

On Roxas Boulevard, our Admiral property is being transformed into Manila's most distinguished address. Its development is a big milestone for Manila, which is working towards the renaissance of the city. This property is home to the prestigious Admiral Baysuites, which is now nearing completion, and the new Admiral Hotel, which will be part of the McGallery Collection of international hotel operator Accor. On this property will also rise the ultra-luxurious Admiral Grandsuites. It offers a 270-degree view of the magnificent Manila Bay sunset. The three developments combined is the first and only five-star hotel and luxury residential development in Manila.

In Binondo, we are building the 63-storey Anchor Grandsuites, the tallest building in Manila and in all Chinatowns around the world. Rising proud and high along Masangkay Street, it stands on the property where the Noli me Tangere manuscript was kept, adding to the property's historical value and proving most auspicious to our core market, the Filipino-Chinese families, for whom historic and cultural ties are most valued.

Moreover, we also embarked on our pioneering office development, the Anchor Land Corporate Center, which allows us to go into the emerging office market in the ASEANA complex, as well as provide us with another source of recurring income. Once completed, Anchor Land Corporate Center will offer a cutting-edge format in Grade A green office building developments to large companies.

As we move ahead, you can trust that we at Anchor Land will continue to scan the real estate landscape for emerging opportunities, as we continue to provide the market with innovative products and services that meet our discriminating clients' evolving lifestyles. Drawing on the expertise and experience of our management team, we will continue to build a strong foundation for the company. Armed with our deep insights into the markets' needs, we are confident that we are well positioned to take advantage of the opportunities that will emerge in the horizon.

Finally, let me reiterate that we at ALHI are determined that we can move back to the growth path with the strong support of our shareholders, business partners, employees, and clients.

Thank you for your trust and confidence.

Steve Li
Vice-Chairman of the Board
and Chief Executive Officer
Anchor Land Holdings, Inc.

BUSINESS AND GENERAL INFORMATION

Business Overview

Anchor Land Holdings, Inc. ("ALHI" or the "Company") was registered with the Securities and Exchange Commission ("SEC" or the "Commission") on July 29, 2004 with an authorized capital stock of ₱10,000,000.00 divided into 100,000 common shares with a par value of ₱100.00.

The Company is the holding company of the ALHI Group (the "Group") with principal business interest in real estate organized to acquire by purchase, lease, donation, or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, and hold for investment, real estate of all kinds, whether to improve, manage or otherwise dispose of buildings, houses, apartments, and other structures of whatever kind, together with their appurtenances.

The Company traces its roots to Anchor Properties Corporation. Anchor Properties Corporation was incorporated in July 15, 2003. It commenced commercial operations on April 30, 2004, simultaneously with the start of the construction of its Lee Tower project.

The Company was founded by a group of entrepreneurs led by Mr. Stephen Lee Keng and Mr. Steve Li. The Company was primarily organized to engage in real estate development and marketing focusing initially in high-end residential condominiums within the Manila area. It started business operations on November 25, 2005.

On December 13, 2006, the board of directors and stockholders of the Company approved and authorized the plan of merger of Anchor Properties Corporation, with the Company as the surviving entity. Simultaneously with the approval of the Company's merger with Anchor Properties Corporation, the Company's board of directors and stockholders also approved amendments to Company's Articles as follows: (a) reduction of the par value from ₱100.00 to ₱1.00 resulting in stock split and increase in authorized capital stock from ₱10,000,000.00 to ₱1,000,000,000.00. Both companies are substantially under common control and the merger of the two companies was done to consolidate their real estate projects under one group.

On July 7, 2011, the board of directors and stockholders of the Company approved the amendment of the Company's Articles of Incorporation as follows: a) increase in authorized capital stock of the Company from 1,000,000,000 shares of common stock with par value of ₱1.00 per share to 2,300,000,000 shares of common stock with par value of ₱1.00 per share; and b) increase in authorized capital stock of the Company by creating preferred shares of ₱1,300,000,000.00-8%, voting, preferred shares with par value of ₱1.00 per share.

On November 8, 2013, the Securities and Exchange Commission approved the increase of capital stock of ALHI from ₱3,600,000,000.00 divided into 2,300,000,000 common shares and 1,300,000,000 preferred shares, both with a par value of ₱1.00 each to ₱4,800,000,000.00 divided into 3,500,000,000 common shares and 1,300,000,000 preferred shares, both with a par value of ₱1.00 per share.

Business Plan

Having established a strong foothold in the Philippine property market, Anchor Land Holdings Inc. aimsto build on gains achieved in the past years to strengthen its core business, while standing ready to embraceemerging opportunities in sunshine industries as they come by.

Amidst an ever changing and complex business landscape, we remain steadfast in our goal to offer primeinvestment options that meet the continuously evolving needs of our core market, the Filipino-Chinesecommunity and foreign investors. At the same time, we hope to proactively serve the investment needs ofa growing number of high net worth individuals and overseas investors who are on the perpetual lookoutfor value-laden options.

Committed to building signature developments that serve as a benchmark in the industry, Anchor Landaims to enhance property values and improve investors' earning potential in all of its endeavors. This isexemplified in our game-changing Admiral project along Roxas Boulevard, which is slated to become Manila's most distinguished address, taking property development a notch higher by combining historyand culture with modernity and technology. Composed of two luxurious high-rise and a five-star hotel, itis a landmark development for the city of Manila, which endeavors to ignite the renaissance of the city.

Now approaching completion is the iconic Admiral Baysuites, with the grand West Wing and the fullyfitted and exquisitely furnished East Wing offering luxuries and amenities reserved only for the privilegedset. Admiral Baysuites residents will enjoy exclusive premier club privileges and impeccable serviceexclusively thought of for them.

Set to open in 2017, the new Admiral Hotel will definitely enhance property values of surroundingdevelopments, as it joins the elite McGallery Collection of international hotel operator Accor, and willoffer bespoke services that celebrate its rich cultural heritage and strong historical roots.

Taking property development to a whole new level, we are also set to build the 43-storey, ultra-luxurious Admiral Grandsuites, a premiere development which offers the most magnificent view of the ManilaBay and which will redefine high-rise living in the Philippines.

In Binondo, the Anchor Land emblem will be carried by a new icon of heritage, the Anchor Grandsuites. Located along Masangkay Street, it stands on a property on which once stood a house owned by Filipinorevolutionary patriot who aided national hero Jose Rizal, who kept the original manuscript of *Noli Me Tangere* script in this house. Proudly bearing Anchor Land's signature lifestyle residential components, Anchor Grandsuites, towering at 63 storeys, will be the tallest building in all of Manila andin all Chinatowns around the world.

To further strengthen our real estate portfolio, we aim to foray beyond the residential marketspace. Recognizing the strong demand for office space in emerging business enclaves, we are undertakingthe construction of the Anchor Land Corporate Center at the ASEANA Complex, our first office projectto date. It is strategically located in the burgeoning Bay City locatedbetween Mall of Asia and the Pagcor Entertainment City, touted to be the future entertainment destination of Southeast Asia. The Anchor LandCorporate Center allows us to ride on the rapid growth of the business process outsourcing industry andallows us to break into an ancillary industry. A green building, it provides a sustainable office space withenvironment-friendly, energy-efficient features. When completed, the Anchor Land Corporate Center willfeature twin office buildings with a Grade A rating, as well as advanced security features. For theconvenience of tenants, commercial spaces will be offered on its shared ground lobby.

Complementing our real estate sales, we aim to further strengthen our recurring income projects or assets,going forward to increase its contribution to our net income. In particular, we will commence construction of One Soler, a 10-storey structure that will offer warehousing facilities in the Divisoria area, one of the country's oldest commercial and trading centers. Also in the pipeline is the construction of OneLogistics, which offers safe, secure and convenient warehousing facilities in Baclaran, as well as retailspaces.

Hand in hand with this, we will proactively seek out complementary business opportunities and newformats in related industries such as entertainment and tourism.

Despite a temporary softening of the market in 2014, we expect serious investors, both local and foreign, totake a long-term view and move back into buying positions this year.

In the meantime, we aim to further strengthen our brand proposition by building our capacity to serviceand surpass customer expectations. Anchor 100, which we successfully piloted and implemented, will bethe backbone of our service solutions. With a steady eye on our customers' needs, we will strive to furtherenhance our systems and processes so that we can create new and relevant productsthat can only drive upshareholder value. This will be nourished by the culture of excellence that has always been enshrined inour company and that has fuelled its growth.

In this light, we expect 2015 to be a year of accomplishments and new discoveries for Anchor Land. Aswe move back to the growth path, our stakeholders can rest assured that we will stay true to ourcommitment to our customers and shareholders, delivering only the best value for their hard-earnedmoney, the way we always do.

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Basis of Presentation of Financial Statements for 2014 and 2013

Basis of Preparation
The accompanying consolidated financial statements of Anchor Land Holdings, Inc. and its Subsidiaries have been prepared using the historical cost basis and are presented in Philippine Peso (₱), the Group's functional currency.

Statement of Compliance
The accompanying consolidated financial statements of the Group have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS).

Basis of Consolidation

The accompanying consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as the Company using consistent accounting policies.

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

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

The following management's discussion and analysis of the Group's financial condition and results of operations should be read in conjunction with the Group's audited financial statements, including the related notes, contained in this report. This report contains forward-looking statements that involve risks and uncertainties. The Group cautions investors that its business and financial performance is subject to substantive risks and uncertainties.

Results of Operations (for the three-month periods ended March 31, 2015 and 2014)

The Group's net income for the three month period ended March 31, 2015 amounted to ₱182.80 million, 14% lower compared to the net income for the three-month period ended March 31, 2014.

The Group has completed Anchor Skysuites and Solemare Parksuites 2 in the second half of 2014. The launching and development of Admiral Grandsuites and Anchor Grandsuites, which were expected to augment the Group's revenue when Anchor Skysuites and Solemare Parksuites 2 are completed, were moved towards the second half of 2015. The postponement significantly caused the decrease in the Group's revenue in the first quarter of 2015 compared to the same period in 2014.

Also, sales attainment during the first quarter was generally weaker than expected, partly on account of increasing competition.

The general direction of the Group to increase the contribution of recurring income projects and/or assets to its overall revenue has also contributed to lower income of the Group in 2015. New project developments for commercial leasing (such as One Logistics and One Soler) and commercial units in its condominium projects were not sold as they are now designated as recurring income projects or assets. These recurring income projects and/or assets are presented as Investment properties in the Group's consolidated financial statements.

Financial Condition (as of March 31, 2015 and December 31, 2014)

The Group's total assets amounted to ₱18,821.84 million, a 6% growth from total assets of ₱17,767.73 million as of December 31, 2014. The continued growth in construction activities of real estate for development and sale and investment properties contributed to the increase in the total assets of the Group. Additions to investment properties in 2015 represent the acquisition of additional land for the development of Admiral Hotel and the continuing construction and development of One Soler and One Logistics, which will be held for rental upon completion. Total assets also increased due to property acquisitions relating to parcels of land for the Group's Anchor Land Corporate Center and Admiral Hotel.

The acquisition of properties and the Group's growth in construction activities increased Liabilities as follows:

- Accounts and other payables and retention payable – as a result of additional construction and supply contracts engaged in by the Group and the increase in retention payable. Further, the increase is also due to dividends declared, which are payable in the second half of 2015.
- Customers' advances and deposits– due to the increased collection of lease rights from One Shopping Center and Two Shopping Center and the advances and deposits of buyers of the Groups' existing condominium projects.
- Loans payable – brought by the increase in the proceeds from loan availments, net of loan settlements for funding construction activities and property acquisitions.

The movements in equity accounts follow:

- Retained earnings – increase brought by the net income for the period ended March 31, 2015 less cash dividend declaration.
- Non-controlling interests –decrease due to current year net loss attributable to the non-controlling interests.

Material Changes (increase/decrease of 5% or more) in the Statements of Income for the three-month periods ended March 31, 2015 and 2014

Real estate sales decreased by 17% for the three-month period ended March 31, 2015 as compared to the same period last year. As discussed above, the launching and development of Admiral Grandsuites and Anchor Grandsuites, which were expected to augment the Group's revenue when Anchor Skysuites and Solemare Parksuites 2 are completed, were moved towards the second half of 2015. The postponement significantly caused the decrease in the Group's revenue in the first quarter of 2015 compared to the same period in 2014. Also, sales attainment during the first quarter was generally weaker than expected, partly on account of increasing competition.

The 26% decrease in cost of real estate is due to the lower revenue realized from real estate transactions during the first quarter of 2015 as compared to the same period in 2014.

The increase in selling and administrative expenses by 20% is brought by the higher sales and marketing expenses (including those related to the preparations for new project launches), depreciation and amortization, taxes and licenses and membership dues for newly completed projects.

Provision for income tax increased by 8% mainly due to the expiration of income tax holiday (ITH) granted to Solemare Parksuites Phase 2 and Admiral Baysuites East Wing.

Material Changes (increase/decrease of 5% or more) in the Statements of Financial Position as of March 31, 2015 and December 31, 2014

The 32% increase in Cash and cash equivalents resulted from collection of receivables and proceeds of the Group's loan availments, net of loan settlements. The increase in cash was anticipated for the property acquisitions in April 2015.

The 7% increase in Real estate for development and sale is a result of the continuing construction and development of existing projects, which consist of Monarch Parksuites, PrinceviewParksuites, Oxford Parksuites, Admiral Baysuites and Clairemont Hills Parksuites.

The 16% increase in Other current assets is mainly attributable to the increase in advances to contractors and suppliers and input value-added tax due to the continuing construction and development of the Group’s existing projects. Increase in Other current assets is also due to the increase in deposits for real estate properties and creditable withholding tax.

Property and equipment decreased by 10% as a result of depreciation for the three-month period ended March 31, 2015.

The 7% increase in Investment properties is due to the acquisition of additional land for the development of Admiral Hotel and the continuing construction of One Soler and One Logistics buildings that are part of the Group’s properties and will be held for rental upon completion.

The increase of 8% in Deferred tax assets mainly resulted from the recognition of the difference between tax and book basis of accounting for real estate transactions.

Other noncurrent assets increased by 6% due to payments for initial set-up services rendered by public utility providers necessary for the construction and development of real estate projects.

The 17% increase in Accounts and other payables and retention payable is attributable to the Group’s construction activities on its existing projects which increased payable to contractors and suppliers and retention payable. The increase is partly due to the dividends payable, which is due to be settled in the second half of 2015.

The 6% increase in Loans payable (inclusive of noncurrent portion) is the net result of new loan availments and repayment of loans. These loans were obtained to finance property acquisitions and the construction of ongoing projects of the Group.

Customers’ advances and deposits increased by 5% due to the advances and deposits paid by buyers of the Group’s existing projects. Moreover, the increase is also due to the lease rights collected from the lessees of One Shopping Center and Two Shopping Center.

Deferred tax liabilities increased by 15% due to the recognition of the difference between the tax and book basis of accounting for real estate transactions.

Pension liabilities increased by 9% as a result of pension expense and interest costs for the three-month period ended March 31, 2015.

The decrease in Non-controlling interests by 51% is brought by the current period net loss attributable to the non-controlling interests.

Key Performance Indicators

	March 31, 2015	December 31, 2014
Liquidity Ratio		
(1) Current Ratio	1.85:1	1.94:1
(2) Debt to Equity Ratio	2.35:1	2.21:1
(3) Asset-to-Equity Ratio	3.35:1	3.21:1

	For the three-month periods ended March 31	
	2015	2014
(4) Earnings before Interest and Taxes (in millions)	₱283.13	₱305.78
(5) Interest Coverage Ratio	2.27	2.51
(6) Return on Revenue	18.18%	18.14%
(7) Return on Equity	3.27%	4.14%
(8) Basic Earnings per Share	₱0.17	₱0.20

(1) Current Assets / Current Liabilities
(2) Total Liabilities / Stockholders' Equity
(3) Total Assets / Stockholders' Equity
(4) Net Income plus Interest Expenses and Provision for Income Tax
(5) Earnings before Interest and Taxes / Interest Expense
(6) Net Income / Revenue
(7) Net Income / Average Stockholders' Equity
(8) Net Income / Outstanding Shares

The key indicators provide management with a measure of the Group's financial strength (Current Ratio and Debt to Equity Ratio) and a measure of the Group's ability to maximize the value of its stockholder's investment in the Group (Earnings per Share and Return on Equity).

Review of December 31, 2014 as compared with December 31, 2013

Results of Operations (for the years ended December 31, 2014 and 2013)
The Group generated ₱652.82 million net income for the year ended December 31, 2014.

The results of operations of the Group decreased by 41% as compared to year 2013 on account of increasing construction and development costs; postponement of the launching of two new projects, namely Admiral Grandsuites and Anchor Grandsuites; and, lower than expected construction accomplishments and sales attainment.

The construction accomplishments of Monarch Parksuites and Oxford Parksuites are lower than expected due to site conditions that pushed the corresponding start of the construction of these projects to the fourth quarter of 2013. The start of construction of Admiral Grandsuites, Admiral Hotel and Anchor Grandsuites were likewise postponed to 2015.

Up until December 31, 2013, the Group has substantially completed the construction of Anchor Skysuitesand Solemare Parksuites Phase 2, which contributed to lower level of revenue in 2014 as compared to 2013.

Sales attainment in the fourth quarter was also generally lower than expected in part due to delayed start oflaunching and development of Admiral Grandsuites and Anchor Grandsuites. Further, sales of projects outside Binondo area were also weak due to increasing competition.

The general direction of the Group to increase the contribution of recurring income projects and/or assetsto its overall revenue has also contributed to lower net income of the Group in 2014. New projectdevelopments for commercial leasing (such as One Logistics and One Soler) and commercial units in itscondominium projects were not sold as they are now designated as recurring income projects or assets.These recurring income projects and/or assets are presented as Investment Properties in the Group'sconsolidated financial statements.

Financial Condition (as of December 31, 2014 and 2013)
The Group's total assets amounted to ₱17,767.73 million, an 8% growth from total assets of ₱16,481.22 million in 2013. The continued growth in construction activities of investment properties and real estate for development and sale contributed to the increase in the total assets of the Group.

Additions to investment properties in 2014 represent construction and development costs of One Soler and One Logistics, which will be held for rental upon completion, and commercial units of completed condominium projects transferred to investment properties in 2014.

Property acquisitions (Anchor Grandsuites), new project development (PrinceviewParksuites) and continuing construction of Monarch Parksuites, Oxford Parksuites, Admiral Baysuites and Clairemont Hills Parksuites increased real estate for development and sale.

The Group's liability, mainly from loans payable, increased to fund the continuing construction activities and property acquisitions.

The movements in equity accounts follow:
- Retained earnings – increase brought by the net income in 2014 less cash dividend declaration.
- Non-controlling interests – decrease due to current year net loss attributable to the non-controlling interests.
- Other comprehensive income – increase brought by pension liability re-measurements due to experience adjustments.

Material Changes (increase/decrease of 5% or more) in the Statements of Income for the years ended December 31, 2014 and 2013
The decrease in Real estate sales by 36% is due to decrease in construction accomplishments of Monarch Parksuites and Oxford Parksuites which has correspondingly affected the Group's real estate revenues. Site conditions delayed the start of the construction of Monarch Parksuites and Oxford Parksuites to the fourth quarter of 2013, thereby affecting the construction accomplishments of these projects in 2014.

Moreover, up until December 31, 2013, the Group has substantially completed the construction of Anchor Skysuites and Solemare Parksuites Phase 2 that contributed to lower level of revenue in comparison with the prior year.

Sales attainment in the fourth quarter was generally lower than expected in part due to delayed start of launching and development of Admiral Grandsuites and Anchor Grandsuites. Further, sales of projects outside Binondo area were weak due to increasing competition.

The direction of the Group to diversify its source of income to recurring income projects and/or assets has also contributed to lower net income of the Group in 2014. New project developments for commercial leasing (such as One Logistics and One Soler) and commercial units in its condominium projects that were not sold as they are now allotted to earn rental increased during the year. These recurring income projects and/or assets are presented as Investment Properties in the Group’s consolidated financial statements.

Rental income increased by 14%due to the increased occupancy of the Group’s investment properties, as well as to the increase in leasable spaces during the year.

Revenue from management fees increased by 34% as the Group provided higher number of property management services for completed projects during the current year.

The 40% decrease in cost of real estate is due to the lower revenue realized from real estate transactions in 2014 as compared to the prior year.

The increase of 6% in Selling and administrative expenses is attributable to higher salaries and wages, utilities, contracted services and depreciation expenses as a result of increase in headcount, manpower cost and operating expenses of the Group’s properties which are held for rental.

Finance cost increased by 28% or ₱4.87 million on account of interest arising from increased loan availments during the year.

Taxable income decreased as a collective result of the above-mentioned transactions, causing the decrease in provision for income tax by 32% compared to prior year.

Material Changes (increase/decrease of 5% or more) in the Statements of Financial Position as of December 31, 2014 and 3013

Cash and cash equivalents decreased by 17% mainly due to property acquisitions and payments for construction and development costs of existing projects.

The 10% increase in Real estate for development and sale is a result of the property acquisitions, new project development (Princeview) and the continuing construction and development of existing projects, which consist of Monarch Parksuites, Oxford Parksuites, Admiral Baysuites and Clairemont Hills Parksuites.

The 11% decrease in Other current assets is mainly attributable to the decrease in deposits for future acquisition of real estate properties as they are now being developed and lower input value-added tax for the current year.

Property and equipment decreased by 5% as a result of depreciation for the year ended December 31, 2014.

The 42% increase in Investment properties is due to the construction of One Soler and One Logistics, and transfers commercial units of completed condominium projects to investment properties.

The decrease of 9% in Deferred tax assets mainly resulted from the recognition of the difference between tax and book basis of accounting for real estate transactions, utilization of net operating loss carryover and amortization of discount on installment contracts receivable.

Other noncurrent assets increased by 22% due to payments for initial set-up services rendered by public utility providers and other various long-term deposits necessary for the construction and development of real estate projects.

The 11% increase in Loans payable is the net result of new loan availments and repayment of loans. These loans were obtained to finance the construction of ongoing projects of the Group.

Liabilities for purchased land decreased by 100% since the Group has fully settled the liabilities in 2014.

The 7% decrease in Customers' advances and deposits is the result of application of these deposits to condominium contracts receivables and amortization of commercial lease rights.

The 20% increase in Deferred tax liabilities is due to the recognition of the difference between tax and book basis of accounting for real estate transactions.

Pension liabilities increased by 13% as a result of the pension expense and interest costs for the year ended December 31, 2014.

Other comprehensive income increased by 336% arising from pension liability re-measurements due to experience adjustments that were calculated by independent actuary.

The 17% increase in Retained earnings represents the Net Income net of cash dividend declaration in 2014.

Non-controlling interests decreased by 168% due to current year net loss attributable to the non-controlling interests.

<u>Review of December 31, 2013 as compared with December 31, 2012</u>

Results of Operations (for the years ended December 31, 2013 and 2012)
The Group's consolidated revenues for theyear 2013 reached ₱5.70 billion which is 38% higher as compared to year 2012. The Group'sconsolidated income amounted to ₱1.11 billion resulting to 8% growth.

Consolidated costs and expenses went up by 50% to ₱4.18 billion for the year 2013.

As of December 31, 2013, the Group completed Wharton Parksuites project and has substantially completed Anchor Skysuites and Solemare Parksuites Phase 2 projects. Theseaccomplishments and the continued development of residential condominiums, namely

Admiral Baysuites and Clairemont Hills, contributed to the increase in both the revenues and cost and expenses. In addition, rental income of the Group increased by 16% to ₱198.38million as a result of increased occupancy of Two Shopping Center. Furthermore, the Grouphas started the development of Oxford Parksuites and Monarch Parksuites in the fourthquarter of 2013.

Financial Condition (as of December 31, 2013 and 2012)
The Group's total assets amounted to ₱16,481.22 million which resulted to a growth of 24% in 2013 as compared to ₱13,322.77 million in 2012. The increase in investment in real properties, continued growth in construction activities and higher sales during the year 2013 contributed to the increase in the total assets of the Group.

During 2013, the Group has substantially completed the construction of Anchor Skysuites and Solemare Parksuites Phase2 while Wharton Parksuites was 100% completed and in turn over stage. With the improved sales and continued development of the projects Admiral Baysuites and Clairemont Hills together with the start of construction and sales of Monarch Parksuites and Oxford Parksuites, the Group's receivables, real estate for sale and development, other current and noncurrent assets went up by significant amounts. The increase of the total assets was also a result of the additional investments by the Group for its future projects.

The acquisition of properties and the Group's growth in construction activities increased Liabilities as follows:

- Accounts and other payables – as a result of additional construction and supply contracts engaged in by the Group and the increase in taxes and retention payable.
- Customers' advances and deposits – due to the increased collection of lease rights from One and Two Shopping Center and the sales of existing and new condominium projects.
- Loans – brought by the increase in the proceeds from loan availments net of loan settlements for funding construction activities and property acquisitions.

Equity accounts also increased as follows:

- Common Stock – increase is attributable to the 50% stock dividends paid by the Group in 2013.
- Retained earnings – brought by the net income in 2013 less cash dividends declared and stock dividends paid.

Material Changes (increase/decrease of 5% or more) in the Statements of Income for the years ended December 31, 2013 and 2012
Real estate sales went up by 41% brought by the increased units sold from ongoing residential condominium projects namely Anchor Skysuites, SolemareParksuites and Admiral Baysuites. Moreover, the increase in the percentage of completion of these projects and the 100% completion of Wharton Parksuites as well as the start of construction of new projects specifically Monarch Parksuites and Oxford Parksuites have all contributed to the increase in real estate sales for the year 2013.

The increase of 16% in Rental income is the result of the increased occupancy of Two Shopping Center during the year.

The increase in Management fees in 2013 of 44% is primarily due to the increase in income generated from the Group's property management services to condominium corporations.

The 11% increase in Interest and other income mainly resulted from income on forfeited sales and interest and other surcharge earned on installment contracts receivable.

Cost of real estate went up by 65% due to the increased number of sold units, the increase in the percentage of completion of the Group's current projects and increase in the cost to complete projects as well as the start of the construction of its new projects which has also resulted to higher real estate sales during the year.

The increase in Selling and administrative expenses of 9% is brought generally by the increase in sales and marketing expenses, salaries and wages as well as donations and contributions made to not-for-profit organizations by the Group.

The 20% increase in Finance cost is mainly attributable to higher car loans availed by the Group in 2013.

The increase of 27% in Provision for income tax resulted from the increased taxable sales from non-boi projects of the Group. Increase in Provision for current income tax amounted to ₱101.90 million while Provision for deferred tax decreased by ₱14.88 million in 2013.

Other comprehensive income in 2013 was a result of the recognition of gain in the actuarial valuation of the Group's retirement obligation.

In general, the Group reported a net income of ₱1.11 billion for the year ended December 2013 or an increase of 8%.

Material Changes (increase/decrease of 5% or more) in the Statements of Financial Position as of December 31, 2013 and 2012
The decrease in Cash and cash equivalents of 7% was used in operating activities mainly construction.

The 52% increase in Receivables was mainly attributable to the increased sales of ongoing as well as new projects namely Monarch Parksuites and Oxford Parksuites and the significant increase in the percentage of completion of ongoing projects during the year.

Real estate for sale and development went up by 12% as a result of the continued development and construction of current projects, expansion in construction activities as well as the acquisitions of new properties for future projects. The Group's ongoing projects are Anchor Skysuites, SolemareParksuites Phase 2, Admiral Baysuites and Clairemont Hills. Wharton Parksuites was 100% completed in 2013 while the Group has started the construction of Monarch Parksuites and Oxford Parksuites in the 4th quarter of the same year.

The increase of 25% in Other current assets is primarily due to the increase in deposits for real estate properties and in prepaid expenses.

The 7% increase in Property and equipment is brought by the additional acquisitions of transportation equipment, leasehold improvements and furniture and fixtures.

Investment properties resulted to a 5% increase in 2013 attributable to the construction of a new commercial project.

The decrease of 22% in Deferred tax assets mainly resulted from the recognition of the difference between tax and book basis of accounting for real estate transactions.

The increase in Other noncurrent assets of 109% is caused principally by the increase in utility deposits for substantially completed projects.

Accounts and other payables went up by 41% primarily as a result of the increase in payable to contractors due to the continued construction of existing and new projects, increase in taxes payable and retention payable. Also in 2013, accrued expenses increased significantly due to improved units sold.

The 64% increase in Customers' advances and deposits is mostly due to the collections of customer deposits for new and ongoing residential condominium projects and increase in the lease rights collected in 2013 from One and Two shopping Center lessees.

The increase of 19% in loans payable is mainly attributable to the proceeds of additional loan availments net of the loan settlements made in 2013. These loans were availed for the financing of the construction of the current projects and land acquisition.

The decrease in Liabilities for purchased land of 92% is a result of the payments made by the Group in 2013.

Deferred tax liabilities increased by 55% due to the recognition of the difference between the tax and book basis of accounting for real estate transactions.

The 29% increase in Pension liability resulted from the recognition of the higher pension cost in 2013. The increase is due to the hiring of addition number of manpower by the Group during the year.

The increase of 50% in Common stock is a result of the stock dividends declared and distributed by the Group in 2013.

The decrease in Other comprehensive loss of 72% is due to the recognition of losses in the actuarial valuation of the Group's retirement obligation.

Retained earnings went up by 26% attributable to the net income in 2013 of the Group net of the cash dividend paid and stock dividends distributed during the year.

Review of December 31, 2012 as compared with December 31, 2011

Results of Operations (for the years ended December 31, 2012 and 2011)
The Group consolidated net income for the year 2012 reached ₱1.026 billion with consolidated revenues amounting to ₱4.14 billion. The consolidated net income and consolidated revenues grew 22% and 37%, respectively, as compared to year 2011.

Consolidated costs and expenses increased by 39% to ₱2.79 billion for the year 2012.

During 2012, the Group continued to sell and develop residential condominiums namely Wharton Parksuites, Anchor Skysuites, SolemareParksuites Phase 2 and Admiral Baysuites that increased both the revenues and cost and expenses. In addition, the Group's rental income reported an increase of 294% to ₱171.47 million as a result of One Shopping Center and Mandarin Square commercial units having full operations in 2012 and Two Shopping Center started generating rental revenues in the 2nd Quarter of 2012. Moreover, Clairemont Hills started development in the 3rd Quarter of 2012.

Financial Condition (as of December 31, 2012 and 2011)

The Group's total assets reported a growth of 24% as it reached ₱13,322.77 million in 2012 from₱10,734.99 million in 2011. The increase of all the asset accounts as at December 31, 2012 is a reflection of the Group's continued and improved sales of its ongoing projects as well as the growth in construction activities.

In 2012, the Group carried on with the sales and construction of its ongoing projects namely, Wharton Parksuites, Anchor Skysuites, SolemareParksuites Phase 2 and Admiral Baysuites. As of December 31, 2012, Wharton Parksuites is substantially complete with almost fully sold units and is ready for turnover. The sale and development of the existing projects in 2012 caused the increase in the Group's receivables, real estate for development and sale, investment properties and other current and noncurrent assets.

The continued construction activities of the Group's projects increased Liabilities as follows:

- Customers' advances and deposits – brought generally by sales of condominium units and the collection of lease rights from One and Two Shopping Center
- Loans – attributable to the increase in loan availments net of loan settlements to finance construction activities

Equity accounts also increased as follows:

- Preferred Stock – due to the reclassification of Deposit for future stock subscription to Preferred stock upon approval of the SEC and issuance of the Preferred stock in 2012.
- Retained earnings – as a result of the net income in 2012 less cash dividends declared.

Material Changes (increase/decrease of 5% or more) in the Statements of Income for the years ended December 31, 2012 and 2011

Real estate sales increased by 36% attributable to the continued construction of the residential condominium projects of the Group namely Wharton Parksuites, Anchor Skysuites, SolemareParksuites Phase 2 and Admiral Baysuites plus increase in units sold during the year.

Rental income went up by 294% because Two Shopping Center started to operate in the 2nd quarter of 2012. The Group's commercial unit assets are located in Baclaran (One Shopping Center and Two Shopping Center) and in Binondo (Mandarin Square Commercial units).

Management fees increased by 31% as the Group performed property management services in 2012 to newly established condominium corporations.

Interest and other income resulted to a 12% increase which is from higher amortization of discount on long-term receivables because the base of receivables is higher in 2012.

The 34% increase in Cost of real estate is due to higher realization of real estate revenues arising from the continued construction of the residential condominium projects of the Group combined with the higher number of units sold during 2012.

The increase of 54% in the Selling and administrative expense is attributable to higher Salaries and wages, utilities, contracted services and depreciation expenses as a result of increase in headcount, manpower cost and operating expenses of the commercial Centers.

Finance costs increase by 372% brought by the interest expense incurred in loans used to finance short-term investments and increase in the Group's car loans.

Provision for income tax went up by 96% caused by the increased taxable income for 2012 as more sales were realized from non-BOI registered units and the recognition of the difference between tax and book basis of accounting for real estate transactions. In 2012, increase in Provision for current income tax amounted to ₱44.1 million while increase in Provision for deferred tax amounted to ₱117.0 million.

Other comprehensive loss in 2012 was a result of the recognition of loss in the actuarial valuation of the Group's retirement obligation.

Overall, the Group marked a net income of ₱1,026 Million for the year ended December 2012 or an increase of 22%.

Material Changes (increase/decrease of 5% or more) in the Statements of Financial Position as of December 31, 2012 and 2011

The 14% increase in Cash and cash equivalents resulted from the cash collections from customers and proceeds from the Group's loan availments net of settlements and cash outflows from operating activities.

Receivables went up by 43% generally due to the higher revenues from the units sold and increase in the recognition of the percentage of completion of the projects in 2012.

The 32% increase in Real estate for development and sale is caused by the continued construction and development of existing projects in 2012. Construction and development activities relate to Wharton Parksuites, Anchor Skysuites, SolemareParksuites Phase 2, and Admiral Baysuites. Clairemont Hills project started development in the 3rd quarter of 2012.

Property and equipment increased by 13% brought by the acquisition of office furniture and fixtures, office equipments and vehicles.

The increase of 7% in Investment property is mainly due to the improvements made to Two Shopping Center.

The Deferred tax assets went up by 41% due to recognition of the difference between tax and book basis of accounting for real estate transactions.

The 19% increase in Other noncurrent assets resulted from higher security and utility deposits in line with the increase in construction activities of the Group's residential condominium projects and operation of commercial units.

The decrease of 8% in Accounts and other payables is caused by the settlement of the Group's payables relative to its construction activities.

Customers' advances and deposits increased by 19% due to the advances and deposits paid by customers for the Group's existing projects and collection of additional reservation fees. Moreover, the increase resulted also from the lease rights collected from the lessees of One and Two Shopping Center.

The increase in Loans payable by 42% is a net result of new loan availments and repayment of loans. These loans were obtained to finance the construction of ongoing projects of the Group.

Liabilities for purchased land decreased by 48% brought by the payments made during the year.

The 404% increase in Deferred tax liabilities is due to recognition of the difference between tax and book basis of accounting for real estate transactions.

Pension liability increased by 162% due to the recognition of pension cost which has increased in 2012 as a result of the higher number of manpower of the Group.

The increase of 100% in Common stock is brought by the stock dividends distributed in July 2012.

Preferred Stock and Deposit for future stock subscription increased and decreased, respectively, by 100% arising from the reclassification of the Deposit to Preferred Stock upon issuance of the Preferred Stock in 2012.

The decrease in Other comprehensive loss of 333% is due to the recognition of losses in the actuarial valuation of the Group's retirement obligation.

The 27% increase in Retained earnings arise from the Net Income of the Group in 2012 less cash and stock dividends.

The increase of 1,355% in Non-controlling interests is brought by the profitable operations of the Eisenglas, one of the subsidiaries of Anchor Land.

<u>Key performance indicators for the years ended December 31, 2014, 2013 and 2012:</u>

	2014	2013	2012
Liquidity Ratio			
(1) Current Ratio	1.74:1	1.42:1	1.52:1
(2) Debt to Equity Ratio	2.21:1	2.27:1	2.28:1
(3) Asset-to-Equity Ratio	3.21:1	3.27:1	3.28:1
(4) Earnings before Interest and Taxes (in millions)	₱957.73	₱1,539.71	₱1,368.40
(5) Interest Coverage Ratio	2.03	4.02	4.18
(6) Return on Revenue	17.02%	19.42%	24.75%
(7) Return on Equity	12.34%	24.34%	28.22%
(8) Basic Earnings per Share	₱0.61	₱1.04	₱0.96*

** As restated due to declaration of stock dividends*

The calculations for these indicators are as follows:

(1) Current Assets / Current Liabilities
(2) Total Liabilities / Stockholders' Equity
(3) Total Assets / Stockholders' Equity
(4) Net Income plus Interest Expenses and Provision for Income Tax
(5) Earnings before Interest and Taxes / Interest Expense
(6) Net Income / Revenue
(7) Net Income / Average Stockholders' Equity
(8) Net Income / Outstanding Shares

These key indicators were chosen in order to provide management with a measure of the Group's financial strength (Current Ratio and Debt to Equity) and ability to maximize the value of its stockholders' investment in the Group (Earnings per Share, Earnings before Interest and Taxes and Return on Equity).

The Group will continue to identify potential sites for development and pursue expansion activities by of establishing landmark developments in the high rise residential luxury condominium. Buoyed by the success of Lee Tower, the Group intends to sustain this momentum by putting up the required resources needed for the implementation of the existing and future projects.

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the Group's consolidated financial statements are consistent with those of the previous financial years except for the adoption of the following amended standards and interpretations:

- Amendments to PAS 19, *Employee Benefits - Defined Benefit Plans: Employee Contributions*, require an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments also clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognize such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. This amendment is effective for annual periods beginning on or after January 1, 2015. This amendment is not relevant to the Group, since none of the entities within the Group has defined benefit plans with contributions from employees or third parties.

Annual Improvements to PFRS (2010-2012 cycle)

The Annual Improvements to PFRS (2010-2012 cycle) are effective for annual periods beginning on or after January 1, 2015 and does not have a material impact on the Group.

- PFRS 2, *Share-based Payment - Definition of Vesting Condition*, clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions. This improvement shall be applied prospectively.

- PFRS 3, *Business Combinations - Accounting for Contingent Consideration in a Business Combination*, clarifies that a contingent consideration that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of PAS 39. The amendment is applied prospectively for business combinations for which the acquisition date is on or after July 1, 2014. The Group shall consider this amendment for future business combinations.

- PFRS 8, *Operating Segments - Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets*,clarify that an entity must disclose the judgments made by management in applying the aggregation criteria in the standard, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'. The amendments also clarify that the reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities. The amendments are applied retrospectively. The amendments affected disclosures only and have no impact on the Group's financial position or performance.

- PAS 16, *Property, Plant and Equipment - Revaluation Method - Proportionate Restatement of Accumulated Depreciation*, clarifies in PAS 16 and PAS 38, *Intangible Assets*, that the asset may be revalued by reference to the observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the asset. This amendment is applied retrospectively. The amendment has no significant impact on the Group's financial position or performance.

- PAS 24, *Related Party Disclosures - Key Management Personnel*, clarifies that a management entity, which is an entity that provides key management personnel services, is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendments are effective for annual periods beginning on or after July 1, 2014 and are applied retrospectively. The disclosure requirements were included in the financial statements and have no impact on the Group's financial position or performance.

<u>Annual Improvements to PFRS (2011-2013 cycle)</u>
The Annual Improvements to PFRS (2011-2013 cycle) are effective for annual periods beginning on or after January 1, 2015 and does not have a material impact on the Group.

- PFRS 3, *Business Combinations - Scope Exceptions for Joint Arrangements*, clarifies that joint arrangements, not just joint ventures, are outside the scope of PFRS 3 and this scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is effective for annual periods beginning on or after July 1, 2014 and is applied prospectively. The amendment has no impact on the Group's financial position or performance.

- PFRS 13, *Fair Value Measurement - Portfolio Exception*, clarifies that the portfolio exception in PFRS 13 can be applied to financial assets, financial liabilities and other contracts within the scope of PAS 39. The amendment is effective for annual periods beginning on or after July 1, 2014 and is applied prospectively. The amendment has no significant impact on the Group's financial position or performance.

- PAS 40, *Investment Property*, clarifies that PFRS 3, and not the description of ancillary services in PAS 40, is used to determine if the transaction is the purchase of an asset or business combination. The description of ancillary services in PAS 40 only differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment has no significant impact on the consolidated financial statements of the Group.

<u>Standards Issued but not yet Effective</u>
The Group has not applied the following PFRS and Philippine Interpretations which are not yet effective as of reporting date. The list consists of standards and interpretations issued, which the Group reasonably expects to be effective at a future date.

- PFRS 9, *Financial Instruments - Classification and Measurement (2010 version)*, reflects the first phase on the replacement of PAS 39 and applies to the classification and measurement of financial assets and liabilities as defined in PAS 39. PFRS 9 requires all financial assets to be measured at fair value at initial recognition. A debt financial asset may, if the fair value option (FVO) is not invoked, be subsequently measured at amortized cost if it is held within a business model that has the objective to hold the assets to collect the contractual cash flows and its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding. All other debt instruments are subsequently measured at fair value through profit or loss. All equity financial assets are measured at fair value either through OCI or profit or loss. Equity financial assets held for trading must be measured at fair value through profit or loss. For FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other PAS 39 classification and measurement requirements for financial liabilities have been carried forward into PFRS 9, including the embedded derivative separation rules and the criteria for using the FVO.

  PFRS 9 (2010 version) is effective for annual periods beginning on or after January 1, 2015. This mandatory adoption date was moved to January 1, 2018 when the final version of PFRS 9 was adopted by the Philippine Financial Reporting Standards Council (FRSC). Such adoption, however, is still for approval by the Board of Accountancy (BOA).

- Philippine Interpretation IFRIC 15, *Agreements for the Construction of Real Estate*, covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. The interpretation requires that revenue on construction of real estate be recognized only upon completion, except when such contract qualifies as construction contract to be accounted for under PAS 11, *Construction Contracts*, or involves rendering of services in which case revenue is recognized based on stage of completion. Contracts involving provision of services with the construction materials and where the risks and reward of ownership are transferred to the buyer on a continuous basis will also be accounted for based on stage of completion. The Philippine SEC and the FRSC have deferred the effectivity of this interpretation until the final Revenue standard is issued by the International Accounting Standards Board (IASB) and an evaluation of the requirements of the final Revenue standard against the practices of the Philippine real estate industry is completed. The Group will make an assessment when these have been completed.

Effective January 1, 2016

- Amendments to PFRS 10, *Consolidated Financial Statements*,and PAS 28, *Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, address an acknowledged inconsistency between the requirements in PFRS 10 and those in PAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. These amendments are effective from annual periods beginning on or after January 1, 2016. The amendment will have no significant impact on the Group's consolidated financial position or performance.

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

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

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

- Amendments to PAS 16, *Property, Plant and Equipment*, and PAS 41, *Agriculture - Bearer Plants*, change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of PAS 41. Instead, PAS 16 will apply. After initial recognition, bearer plants will be measured under PAS 16 at accumulated cost before maturity and using either the cost model or revaluation model after maturity. The amendments also require that produce that grows on bearer plants will remain in the scope of PAS 41 measured at fair value less costs to sell. For government grants related to bearer plants, PAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*, will apply. The amendments are retrospectively effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments will have no significant impact to the Group's consolidated financial position or performance.

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

<u>Annual Improvements to PFRS (2012-2014 cycle)</u>
The Annual Improvements to PFRS (2012-2014 cycle) are effective for annual periods beginning on or after January 1, 2016 and are not expected to have a material impact on the Group.

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

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

- PFRS 7, *Financial Instruments - Applicability of the Amendments to PFRS 7 to Condensed Interim Financial Statements*, clarifies that the disclosures on offsetting of financial assets and financial liabilities are not required in the condensed interim financial report unless they provide a significant update to the information reported in the most recent annual report. This amendment is applied retrospectively.

- PAS 19, *Employee Benefits - regional market issue regarding discount rate*, clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used. This amendment is applied retrospectively.

- PAS 34, *Interim Financial Reporting - disclosure of information 'elsewhere in the interim financial report'*, clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report). The amendment is applied retrospectively.

Effective January 1, 2018

- PFRS 9, *Financial Instruments - Hedge Accounting*, and amendments to PFRS 9, PFRS 7 and PAS 39 (2013 version), already includes the third phase of the project to replace PAS 39 which pertains to hedge accounting. This version of PFRS 9 replaces the rules-based hedge accounting model of PAS 39 with a more principles-based approach. Changes include replacing the rules-based hedge effectiveness test with an objectives-based test that focuses on the economic relationship between the hedged item and the hedging instrument, and the effect of credit risk on that economic relationship; allowing risk components to be designated as the hedged item, not only for financial items but also for non-financial items, provided that the risk component is separately identifiable and reliably measurable; and allowing the time value of an option, the forward element of a forward contract and any foreign currency basis spread to be excluded from the designation of a derivative instrument as the hedging instrument and accounted for as costs of hedging. PFRS 9 also requires more extensive disclosures for hedge accounting.

PFRS 9 (2013 version) has no mandatory effective date. The mandatory effective date of January 1, 2014 was eventually set when the final version of PFRS 9 was adopted by the FRSC. The adoption of the final version of PFRS 9, however, is still for approval by BOA.

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

  The adoption of PFRS 9 will have an effect on the classification and measurement of the Group's financial assets and impairment methodology for financial assets, but will have no impact on the classification and measurement of the Group's financial liabilities.

The following new International Financial Reporting Standard (IFRS) issued by the IASB has not yet been adopted by the FRSC:

- IFRS 15, *Revenue from Contracts with Customers*, establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2017 with early adoption permitted. The Group plans to adopt the new standard on the required effective date once adopted locally.

INFORMATION ON INDEPENDENT ACCOUNTANT

External Audit Fees and Services

The aggregate fees for each of the last three (3) years for professional services rendered by the Company's external auditors:

	2014	2013	2012
Audit Fees	₱2,430,000	₱2,313,500	₱2,190,000
Tax fees	–	–	–
Other Fees	–	76,902	125,157
Total	₱2,430,000	₱2,390,402	₱2,315,157

(a) Audit and Audit related fees for the Group was for expressing an opinion on the financial statements and assistance in preparing the annual income tax return.
(b) There are no other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements.
(c) There were no tax fees paid for the years 2014, 2013 and 2012.
(d) Other fees paid for the years 2013 and 2012 amounted to ₱76,902 and₱125,157, respectively, for the professional fees for consultation services.
(e) Audit committee's approval policies and procedures for the above services – the committee will evaluate the proposals from known external audit firms. The review will focus on quality of service, commitment to deadline and fees as a whole, and no one factor should necessarily be determinable.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no changes in and disagreements with accountants on accounting and financial disclosure.

RISKS

The Group is subject to competition in each of its principal businesses. This competition comes in terms of attracting buyers for its condominium and tenants for its commercial spaces. The Group manages this risk by identifying the underserved and/or hard to penetrate market, recognizing their needs and wants prior to project inception, prompt project delivery and maintaining highest turnover standards. With this, the Group is confident that it will surpass the competition.

BRIEF DESCRIPTION OF THE GENERAL NATURE AND SCOPE OF THE BUSINESS OF THE REGISTRANT AND ITS SUBSIDIARIES

Anchor Land Holdings, Inc. (the Parent Company) is a property developer engaged mainly in the development and construction of condominium units and recently, in leasing activities.

The Parent Company was incorporated in the Philippines and registered withthe SEC on July 29, 2004. The Parent Company started operations on November 25, 2005 and eventually traded its shares to the public in August 2007. The registered office address of the Parent Company is at 11th Floor, L.V. Locsin Building, Ayala Avenue corner Makati Avenue, Makati City.

Below are the Parent Company's subsidiaries with its respective percentage ownership as of December 31, 2014 and 2013:

	2014	2013
Property Development		
Gotamco Realty Investment Corporation	**100%**	100%
Anchor Properties Corporation (formerly Manila Towers Development Corporation)	**100%**	100%
Posh Properties Development Corporation	**100%**	100%
Admiral Realty Company, Inc.	**100%**	100%
Anchor Land Global Corporation	**100%**	100%
Realty & Development Corporation of San Buenaventura	**100%**	100%
Pasay Metro Center, Inc.	**100%**	100%
1080 Soler Corp.	**100%**	100%
Nusantara Holdings, Inc.	**100%**	100%
Globeway Property Ventures, Inc.	**70%**	70%
Basiclink Equity Investment Corp.	**100%**	–
Irenealmeda Realty, Inc.	**100%**	–
Property Management		
Momentum Properties Management Corporation	**100%**	100%
Aluminum and Glass Doors and Windows Fabrication and Installation		
Eisenglas Aluminum and Glass, Inc.	**60%**	60%

The Parent Company and its subsidiaries (collectively called as "the Group") have principal business interest in the development and sale of high-end residential condominium units. The Group is also engaged in the development and leasing of commercial, warehouses and office spaces. MPMC provides property management services to the Group's completed projects, commercial centers and buyers while EAGI is engaged in the fabrication and installation of aluminum and glass doors and windows.

COMPANY'S DIRECTORS AND EXECUTIVE OFFICERS

Please refer to Item 5 of the Information Statement for the discussion on the identity of each of the registrant's directors and executive officers including their principal occupation or employment, name and principal business of any organization by which such persons are employed

MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(1) Market Information

(a) The principal market of the Company's shares of stock is the Philippine Stock Exchange. The closing prices (in Philippine Peso) of the Company's share for each quarter for the last two fiscal years were as follows:

Year	Quarter	High	Low	Closing Price
2014	First	13.4600	12.7600	13.1800
	Second	15.5000	13.0200	14.1000
	Third	12.7000	12.0000	12.3000
	Fourth	12.1000	10.0200	10.0200
2013	First	13.9667	12.6667	13.9667
	Second	17.6000	15.6667	15.6667
	Third	16.0000	14.5333	15.1667
	Fourth	15.5000	12.7000	14.1000

(b) The closing prices (in Philippine Peso) of the Company's stocks as of the latest practicable trading dates were as follows:

Year	Month	High	Low	Closing Price
2015	January	10.68	10.00	10.00
	February	10.28	10.00	10.00
	March	10.28	10.00	10.02

(c) For the First Quarter of 2014, the high and low sales prices(in Philippine Peso) of the Company's stocks are as follows:

Year	Date	High	Low
2015 (First Quarter)	January 6, 2014	10.68	10.00

(d) The price information as of May 18, 2015, the latest practicable trading date is as follows:

Date	Open	High	Low	Close
May 18, 2015	9.90	9.90	9.90	9.90

(2) Holders

The top twenty (20) stockholders as provided by the transfer agent of the Company as of April 30, 2015 were as follows:

Stockholders	Number of Shares
1. PCD NOMINEE CORPORATION (FILIPINO)	399,083,154
2. SYBASE EQUITY INVESTMENTS CORPORATION	202,609,200

Stockholders	Number of Shares
3. YI CHIANG LI	156,000,000
4. CINDY MEI NGAR SZE	155,999,298
5. PCD NOMINEE CORPORATION (NON-FILIPINO)	64,463,250
6. RENA OBO ALVAREZ	30,000,000
7. STEPHEN LEE KENG	15,600,690
8. PHILIP O. BERNARDO	6,840,000
9. RENA OBO ALVAREZ	5,550,000
10. CARLOS G. SOTINGCO	2,114,400
11. HARLEY TAN SY	1,650,000
12. FRANCISCO A. UY	60,000
13. HAIDEE GENEROSO &/OR SANDY EDWARD GENEROSO	11,400
14. ROBERT S. CHUA	6,000
15. EDWIN LEE	3,000
16. M.J. SORIANO TRADING, INC.	3,000
17. ELNORA N. TURNER	2,000
18. PHILIP TURNER	2,000
19. MA. CHRISTMAS R. NOLASCO	1,200
20. CHARLES STEWART SZE LEE	900
21. JOSE ARMANDO MELO	900

(3) Dividends

Cash Dividends

On March 26, 2015, the Company's BOD declared cash dividends as follows:
1. For preferred shares - 8% dividends for the year 2014; and
2. For common shares - ₱0.07 per common share held for common shares issued and outstanding.

The record date is May 15, 2015 and the dividends are payable on June 10, 2015.

On June 3, 2014, the Company's BOD declared cash dividends as follows:
1. For preferred shares - 8% dividends for the year 2013; and
2. For common shares - ₱0.12 per common share held for common shares issued and outstanding.

The record date is June 18, 2014 and dividends amounting to ₱152.53 million are paid in July 14, 2014.

On May 29, 2013, the Parent Company's BOD declared cash dividends as follows:
1. For preferred shares - 8%, dividends for the year 2012; and
2. For common shares - ₱0.15 per common share held for common shares issued and outstanding.

The record date is June 28, 2013 and dividends amounting to ₱131.73 million were paid on July 16, 2013.

Stock Dividends

On May 29, 2013, the BOD approved to increase the Parent Company's authorized capital from 2,300.00 million common shares with par value of ₱1 per share to 3,500.00 million common shares with par value of ₱1 per share. Furthermore, the BOD also authorized to issue one (1) common share per two (2) outstanding common share held by stockholders or 50% of the outstanding capital stock of the Parent Company to be issued to the stockholders as of record date to be determined by the SEC, upon approval of the increase in authorized capital stock of the Parent Company. On November 8, 2013, the SEC approved the said increase in authorized capital stock.

Further, on November 8, 2013, the SEC also authorized the issuance of 346,667,000 shares at ₱1.00 par value, to cover the stock dividend declared by the BOD to stockholders on record as of November 25, 2013. The said stock dividends were distributed on December 6, 2013.

The Company has no restrictions that will limit the ability to pay dividends on common equity. But the Company, as a general rule, shall only declare from surplus profit as determined by the Board of Directors as long as such declaration will not impair the capital of the Company.

(4) Recent Sales of Unregistered Securities

As at reporting date, no sales of unregistered securities or shares of the Company were sold except during the date of listing with the Philippine Stock Exchange.

CORPORATE GOVERNANCE

The Corporation has promulgated a Manual on Corporate Governance that took effect on March 31, 2007. The Manual continues to guide the activities of the Corporation and compliance therewith has been consistently observed.

The Corporation is committed to high standards of corporate governance in discharging its obligations to act in the interests of the public and to enhance shareholders' value. It has complied throughout the period under review with the applicable principles and provisions set out in its Manual on Corporate Governance.

There has been no deviation from the Company's Manual on Corporate Governance.

The Company believes that its manual on Corporate Governance is in line with the leading practices and principles on good governance, and such, is in full compliance.

The Company will improve its Manual on Corporate Governance when appropriate and warranted, in the Board of Directors' best judgment. In addition, it will improve when the regulatory agency such as the SEC requires the inclusion of a specific provision.

The Board of Directors

There is an effective and appropriately constituted Board of Directors who received relevant information required to properly accomplish their duties. The Board of Directors is comprised of three executive directors,five non-executive directors and three independent directors that reflect a blend of different ages, financial and commercial experiences.

Directors	Executive Directors	Non-ExecutiveDirectors	Independent Director
Stephen Lee Keng		✓	
Jose Armando Melo			✓
Steve Li	✓		
Digna Elizabeth L. Ventura	✓		
Neil Y. Chua	✓		
Peter Kho		✓	
Edwin Lee		✓	
Christine P. Base		✓	
Frances S. Monje			✓
Solita V. Delantar			✓
Charles Stewart Lee		✓	

All independentdirectorsare independent of management and free from any business or other relationship with ALHI which could materially interfere with the exercise of their independent judgment.

The Nomination Committee is mandated to ensure that there is a formal and transparent procedure for the appointment of new Directors of the Board. Where appropriate, every director receives training, taking into account his individual qualifications and experience. Training is also available on an ongoing basis to meet individual needs.

The term of office of all directors, including independent directors and officers shall be one (1) year and until the successors are duly elected and qualified.

Board Process

Members of the Board meet when necessary throughout the year to adopt and review its key strategic and operational matters; approve and review major investments and funding decision; adopt and monitor appropriate internal control; and ensure that the principal risks of the Company are identified and properly managed.

The Board works on an agreed agenda as it reviews the key activities of the business.

The Corporate Secretary is responsible to the Board of Directors and is available to individual Directors in respect of Board of Directors procedures. Atty. Christine P. Base holds the post.

Committees

The Board has established a number of committees with specific mandates to deal with certain aspects of its business. All of the Committees have defined terms of reference.

- **Audit Committee**

  The Audit Committee functions under the terms of reference approved by the Board. It meets at least once every quarter or more frequently as circumstances require and its roles include the review of the financial and internal reporting process, the system of internal control and management of risks and the external and internal audit process. The Audit Committee reviews the scope and results of the audit with external auditors and obtains external legal or other independent professional advice where necessary.

  Other functions of the Audit Committee include the recommendation of the appointment or re-appointment of external auditors and the review of audit fees.

- **Nomination Committee**

  The Committee assesses and recommends to the Board of Directors the candidates for appointment to executive and non-executive directors' positions. The Committee also makes recommendations to the Board of Directors on its composition. The Committee meets as required.

- **Remuneration Committee**

  The Remuneration Committee is responsible fordetermining the Company's policy on executive remuneration and in specifying the remuneration and compensation packages on the employment or early termination from office of each of the executive directors of the Company. All decisions of the Remuneration Committee are only recommendatory and they are referred to the Board of Directors for final approval. The Remuneration Committee also monitors the compensation packages of other senior executives in the group below the Board of Directors level. The Committee meets as required.

Compliance Officer

The compliance officer is responsible for ensuring that the Company's corporate principles are consistently adhered to throughout the organization. The compliance officer acts independently and his role is to supply the top management with the necessary information on whether the organization's decisions comply with professional rules and regulations, internal directives, regulatory authorities, and the statutory law.

Relation with Shareholders

The Directors place a high importance on maintaining good relationships with the shareholders and ensure that they are kept informed of significant Company developments. The Company encourages shareholders to attend its annual stockholders' meetings that provide opportunities for stockholders to ask questions to the Board/Management.