

EMPIRE EAST LAND HOLDINGS, INC.
Minutes of the Annual Meeting of Stockholders
10 June 2014
Grand Ballroom, Eastwood Richmond Hotel
17 Orchard Road, Eastwood City, Bagumbayan
Quezon City, Metro Manila, Philippines

Board Attendance

Andrew L. Tan	Chairman of the Board; Chairman, Executive Committee; Chairman, Compensation and Remuneration Committee
Gerardo C. Garcia	Chairman of the Meeting; Vice Chairman of the Board; Chairman, Audit Committee; Member, Compensation and Remuneration Committee; Member, Nomination Committee; Independent Director
Anthony Charlemagne C. Yu	Member, Executive Committee; Director
Evelyn G. Cacho	Member, Executive Committee; Member, Audit Committee; Director
Enrique Santos L. Sy	Chairman, Nomination Committee; Director
Alejo L. Villanueva, Jr.	Member, Nomination Committee; Member, Compensation and Remuneration Committee; Member, Audit Committee; Independent Director
Dennis E. Edaña	Corporate Secretary

I. CALL TO ORDER

Mr. Gerardo C. Garcia, Vice Chairman of the Board, called the meeting to order at 9:05 AM and presided over the meeting. The Corporate Secretary, Atty. Dennis E. Edaña, recorded the proceedings of the meeting.

II. PROOF OF NOTICE AND DETERMINATION OF QUORUM

The Corporate Secretary certified that all stockholders of record as of 02 May 2014 have been duly notified of the meeting. He also certified that there was a quorum to transact business for the meeting.

III. APPROVAL OF MINUTES OF THE PREVIOUS ANNUAL MEETING

In view of the fact that copies of the minutes of the previous year's annual meeting had already been distributed to all stockholders in attendance, the stockholders, upon motion made and duly seconded, dispensed with the reading of said minutes and approved the same. ww

IV. MESSAGE TO STOCKHOLDERS

The President, Mr. Anthony Charlemagne C. Yu, delivered the Management's Message to Stockholders, as follows:

The year 2013 saw the exceptional growth of Empire East Land Holdings, Inc. as a vibrant and evolving real estate brand. Over the past year, we strengthened the positioning of our developments in the mind space of our customers by communicating the value of our projects- the positive ways in which they are shaping the urban landscape, and how they are upgrading the lifestyles of Filipinos on a large scale.

Our successful efforts translated to solid financial results. Empire East and its subsidiaries turned in a net income of P300.4 million, a 27 percent jump from P236 million in 2012. The company's sales in 2013 grew by an impressive 23 percent to P1.7 billion from P1.38 billion. Meanwhile, reservation sales for Empire East projects alone amounted to P20 billion, up by 17 percent from P17 billion in the previous year.

With our commitment to drive the company to profitability, we see our performance continuing on an upward trajectory. Historically, our reservation sales have been notably resilient, showing steady growth despite economic downturns. For 2014, we estimate reservation sales for Empire East developments as well as Empire East-managed developments to reach P22 billion, buoyed by much awaited project launches and new product roll-outs.

Luxury branding as a core strategy

Empire East further reinforced its message of "accessible luxury" to its customers in 2013. Luxury marketing group Empire East Elite rebranded the company's transit-oriented and urban-based developments by emphasizing the projects' value-oriented benefits and their differentiating promise. As a result, our real estate offerings continued to be warmly received by middle-income homebuyers enjoying a higher level of affluence.

The demand for a convenient, more mobile lifestyle close to the trains drove sales for Little Baguio Terraces in San Juan City. The project is nearly halfway sold, with Towers 1 and 4 over 90 percent taken up. The two- and three-bedroom units of Tower 3 are close to 30 percent sold. In June last year, we launched Tower 2, the project's fourth tower, with 389 new condominium units.

With a take-up rate of over 80 percent, our Pioneer Woodlands project along EDSA in Mandaluyong City is also performing well. Its first two towers are fast approaching sold-out status, a testament to the prominence of the project with regard to strategic location and link to mass transport. Towers 3 and 4, called Woodland Park 1 and Woodland Park 2, respectively, are also making headway in the market.

All 2,177 residential units of the four-tower San Lorenzo Place in the Makati central business district are on stream. Offering CBD-standard homes with one-to three-bedroom layouts, the project is 72 percent sold. Tower 4, the first to be unveiled, is nearly 90 percent taken up. Tower 1 and the recently launched Tower 3 are nearly 65 percent sold, while Tower 2 is over halfway sold.

Renewed focus on the human experience

Communicating the humanity of our brand was a key component of our marketing initiatives. We linked the stability of the Empire East name to universal values such as family cohesion, a sense of community and an innate desire for the good life. Our developments, created to uplift the quality of future residents' everyday experiences, are undoubtedly in service of human connections.

The Sonoma in the South first revealed its integrated township concept in 2010. The Enclave, its first residential village phase, was met with immediate enthusiasm. Subsequent phases such as The Country Club, The Esplanade and The Pavilion have all been successfully marketed and have pushed the take-up rate of the entire project to 96 percent. The Sonoma's commercial strip is now sold out as well.

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A complete and fully functional recreational area has drawn even more buyers to The Rochester, now 70 percent taken up. Garden Villa 1 and Garden Villa 2 are nearing sold-out status, while the Breeze and Parklane Towers are 86 percent and 74 percent sold, respectively. The Palmridge Tower is nearly halfway taken up, as is Hillcrest Tower, which put on stream 182 new residential units last year.

For its part, Kasara is nearly 75 percent sold. Three of its six towers have already been opened to the public, with the recently unveiled Tower 3 already boasting a 78 percent take-up rate. Solidifying the project's popularity is its resort concept, which comprises a layout that is 65 percent open spaces, and features a water-centered amenity area that rivals other communities in size and recreational variety.

Delivering on commitments with results

As pleased as we are to share the healthy clamor for our developments, we are even more excited to report the renewed efficiency of our delivery cycles. In 2013, we spent P3.15 billion for various development activities, assuring our customers of on-time construction work and the prompt turnover of homes. Meanwhile, we expect to spend about P4 billion for the development of ongoing and new projects.

We are currently handling over Tower 1 of Little Baguio Terraces and Pioneer Woodlands, The Enclave and The Country Club phases at The Sonoma and Garden Villa 1 of The Rochester. Turnover for the fourth tower of San Lorenzo Place will begin by the second half of 2014. More residential towers and village phases are slated to be turned over starting this year until 2018.

Aside from fast-tracking our turnover schedules in 2013, we replenished our real estate inventory to meet robust demand by opening a total of 1,388 residential units for sale in different projects. This year, we are looking to pursue marketing initiatives that will allow us to reach customers in a unique way. We want to replicate the success of our "Olivia" out-of-home campaign, which went viral in early 2014, and drove awareness for our projects as viable investments.

2014: Twenty years of strong business

Empire East marked record highs last year, but we look forward to an even stronger performance this 2014, the year of our 20th anniversary. Vital to our accomplishments down the road will be the launch of new projects in locations such as Quezon City, Sta. Mesa in Manila, San Juan City, Pasig City and Makati City. Together with other properties in various locations, the company's total land bank has an aggregate area of 454 hectares worth P4.09 billion.

Our longevity in the business has always been anchored on a solid foundation and sound fundamentals. As a market leader, we are committed to seeing our vision through by strategically capturing and creating value. We will actively tap new areas for growth, innovate to differentiate, meet the market head on with relevant and responsive products, and keep ourselves accountable when it comes to customer service and satisfaction.

We aim to leverage our resources and strengths in a much-improved economic environment this year. Empire East has many milestones in the making, and our growth aspirations can only be achieved through the support of our shareholders, business partners and customers, as well as the concerted efforts of the men and women that make up the company's workforce. We would like to thank you all for continuing on this journey with us.

V. OPEN FORUM

Below is a summary of the questions raised and answers given during the Open Forum:

Question: I read an article in National Geographic magazine which featured Empire East's lead in the middle income market and how the company can catch up with the rapid emergence of the Philippines as Asia's new economic tiger. You state there that it is the most stable segment in the housing sector. But other developers are also tapping in the mid segment. Will there be no over supply of residential properties in that sector? Would that sector not be over saturated?

Answer: Honestly we think we have just started. The residential sector is booming and we would like to throw a comparison between our country and those neighboring Asian countries. The Philippines compared to other Asian neighbors has a lot of room for growth in the residential development. There are three important factors which I would like to highlight. First, unlike other Asian neighbors we have no massive government housing project. There is a huge gap that continues to be filled by the private sector. That is a very important distinction because unlike our other Asian neighbors where nearly 85% of housing needs are met by government resources, in this country, it is the private sector that supplies them.

The second factor is the Overseas Filipino Workers phenomenon. It is not unique in the Philippines. All countries around the world have sent overseas workers abroad where they are in need. But the Overseas Filipino Workers phenomenon here is different because it has been sustained through decades. Whereas before we used to send Filipino workers to work at the lower level, now we are going to the service sector which is a more creative sector.

The third factor would be the BPO factor or business process outsourcing. It is relatively new in our country but it has played very significant inroads in our economic growth. Business process outsourcing was pioneered in this country by Megaworld here in Eastwood City. Many years ago when we had the Asian crisis, Megaworld had to bring officials from the government to Bangalore in India to show them that there is a BPO industry and that if it can be done in India, it can be done in the Philippines. Because of that trip, Eastwood City was the first accredited cyber city in the Philippines. Today, we remain the biggest lessor for cyberspace. These factors create the demand for housing that we are supplying and that demand continues to grow. The only difference between us and the other companies is that we have the competitive advantage. We were there when no developer was there. We know the middle income sector very well and we believe that we have just started. The fact that they are all now tapping the middle income sector just proves that there is a very wide potential for the middle income sector which our Company continues to lead. We believe that there is no over supply and that we have many more productive years to come in the middle income sector.

Question: I was personally amazed by your Olivia will you marry me campaign. Honestly, it made me think about who that rich man was. What is the next big idea in the Empire East marketing strategies? Will there be a continuation of the Olivia story?

Answer: Thank you for noticing the Olivia will you marry me ad campaign. That campaign was aimed not only to catch attention but to really introduce a new mindset. We would like to use that campaign as a campaign for us to direct their attention to consider investing in something that could grow, that will sustain them for their future. While that ad campaign became very successful and went viral, what is even more amazing is the fact that the entire concept from its conception up to its execution was done by an in-house team. Many of the ad agencies, broad sheets, broadcasting networks called us and asked who the ad agency was and they could not believe that it was a small group of very competent people in-house that conceptualized and executed this. As to your question whether or not there will be a continuation of the Olivia story, the answer is why not but at the proper time and like most successful ad campaigns, it is a secret which we will reveal in time.

Question: You mentioned about concepts that Empire East has ventured into such as transit oriented development. I've heard of concepts like serviced apartments, where in condominium floors are dedicated to serviced apartments where guests are given full

service like the ones in hotels. Now my question is would Empire East decide to venture in those kind of projects as well?

Answer: Serviced apartment is a combination of two concepts – service and apartment. While it is a core competency of your company to do apartment condominium units, it is not our core competency to do the service portion of that. When we speak of serviced apartments, we're usually talking of the hotel industry, the service industry, which is actually more luxurious and big developers like Megaworld would be better suited to respond to. Not that we would preclude ourselves from ever entering into that market if the opportunity comes. But at the moment, we think that there is still a lot of room for us in the middle income sector and would like to focus on developing and selling residential units.

Question: Aside from being a stockholder, I've been a resident in one of the projects in Quezon City. Our property maintenance has been inconsistent lately. Can we first upgrade the existing property maintenance before venturing into luxury markets?

Answer: Thank you very much for trusting Empire East by being a shareholder and by buying and investing in one of our projects. We have received the feedback as well and we always make sure that we relay them to the person managing the properties. Most of the property management for properties of Empire East and other affiliates is done by First Oceanic. It has undergone some organizational changes which will definitely lift up our service for the maintenance of the different units in different projects. Also, because of the growing number of inventory in our finished products for the whole group, Empire East has also started to build its own in-house property management group in order for us to cater to the property management of the new projects of Empire East.

Question: Earlier in your report, I noticed this graph pertaining to the performance of the company's reservation sales. The figure shows the consistent increase of the sales reservations for years but now the figures have dropped. Do you believe that there is really a sales cycle? Does the Company develop a plan or strategy to increase the Company's reservation sales?

Answer: Our sales are going on an upward trajectory. However, we saw that for every four to five years there is a small dip. We're happy to note that we are at the 7th straight year of growth. For us to reach the point of 20 billion in reservation sales, we continue to build our sales team and come up with new projects. We believe that our reservation sales will continue to improve. Aside from reservation sales, there are also some portions of our project which may allow us some room for some commercial strips or even malls like in Broadway. For this, we shall be working very closely with the Megaworld Lifestyle Malls because they have the expertise there in order for us to ensure that the residents of the project around the area will get the best value for what they have in that area. We expect it to be a continuous uptrend but yes there are cycles. Your Company is watching over these cycles to make sure we are well protected should those cycles come.

VI. ENGAGEMENT OF EXTERNAL AUDITOR

The Presiding Officer informed the stockholders that the Audit Committee of the Board of Directors has recommended to the Board the engagement of Punongbayan & Araullo as external auditors of the Company for the audit of the Company's financial statements for the year ending 31 December 2014 and that the Board has approved such engagement.

Upon motion made and duly seconded, the stockholders approved the following resolution:

"RESOLVED, that the engagement of Punongbayan & Araullo as external auditors of the Company for the audit of the Company's financial statements for the year ending 31 December 2014, be approved."

VII. AMENDMENT OF THE THIRD ARTICLE OF THE ARTICLES OF INCORPORATION TO REFLECT THE COMPLETE PRINCIPAL OFFICE ADDRESS OF THE CORPORATION IN COMPLIANCE WITH SEC MEMORANDUM CIRCULAR NO. 6, SERIES OF 2014

The Presiding Officer informed the stockholders that on 20 February 2014, the Securities and Exchange Commission issued Memorandum Circular No. 6, series of 2014, requiring Corporations to state in their Articles of Incorporation the specific address of their principal office and in compliance with the said circular, on 15 April 2014, the Board of Directors of the Company approved the amendment of the principal office of the Corporation stated in the third article of the Corporation's Articles of Incorporation from "Metro Manila, Philippines" to "21st Floor, The World Centre, 330 Sen. Gil Puyat Avenue, Makati City, Philippines."

Upon motion made and duly seconded, the stockholders approved the following resolutions:

"RESOLVED, that the Corporation amend the Third Article of the Articles of Incorporation of the Corporation to read as follows:

THIRD: That the place where the principal office of the Corporation is to be established or located is at the 21st Floor, The World Centre, 330 Sen. Gil Puyat Avenue, Makati City, Philippines;

RESOLVED, FURTHER, that any one of the officers of the Corporation be, as each of them is, hereby authorized and directed to execute and deliver the necessary certificates and other documents with the Securities and Exchange Commission and other government agencies and perform all actions as may be necessary to fully implement the foregoing resolution."

VIII. RATIFICATION OF ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE AND MANAGEMENT

The Presiding Officer proposed the ratification of all acts of the Board of Directors, Board Executive Committee and Management during the period covering 1 January 2013 to 31 December 2013. These acts include resolutions duly adopted by the Board of Directors and/or its Executive Committee, such as appointment of contract signatories, appointment of representatives to homeowners' associations, application for permits and licenses for projects, registration of master deed and restrictions of projects, operation of bank accounts and other bank transactions, consolidation and subdivision of lots and titling of projects, development and operation of projects, property acquisitions, dispositions, leases and joint ventures, purchase and sale of subscriptions, and appointment of stock transfer agent.

Upon motion made and duly seconded, the stockholders approved the following resolution:

"RESOLVED, that all acts of the Company's Board of Directors, Board Executive Committee and Management and all resolutions adopted by them during the period covering 1 January 2013 to 31 December 2013, be ratified."

IX. ELECTION OF DIRECTORS

The Chairman of the Meeting informed the stockholders that the Company would be electing seven (7) directors. He added that pursuant to the Securities Regulation Code, SRC Rule 38 and in relation to the SEC Memorandum Circular No. 6, Series of 2009 and its Manual of Corporate Governance, the Company is required to have at least two (2) independent directors out of seven directors.

Mr. Ricardo B. Gregorio, on behalf of the Nomination Committee, presented the Final List of Nominees to the Board of Directors, as follows: Mr. Gerardo C. Garcia and Mr. Alejo L. Villanueva, Jr. for independent directors, and Andrew L. Tan, Katherine L. Tan, Anthony Charlemagne C. Yu, Enrique Santos L. Sy, and Evelyn G. Cacho for regular directors.

It was then moved and duly seconded that the nominees for independent directors, namely Alejo L. Villanueva, Jr. and Gerardo C. Garcia be elected as independent directors of the Company, and that Andrew L. Tan, Katherine L. Tan, Anthony Charlemagne C. Yu, Enrique Santos L. Sy, and Evelyn G. Cacho, be elected as regular directors of the Company.

Since there were only seven nominees to the Board and considering the absence of objections, all the seven (7) nominees were declared elected to the Board of Directors.


X. ADJOURNMENT

The meeting was adjourned at 9:35 AM.

CERTIFIED TRUE & CORRECT:


DENNIS E. EDANO
Corporate Secretary

ATTESTED BY:


GERARDO C. GARCIA
Chairman of the Meeting


ANTHONY CHARLEMAGNE C. YU
President