SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended

   Sep 30, 2014

2. SEC Identification Number

   AS094-006430

3. BIR Tax Identification No.

   003-942-108

4. Exact name of issuer as specified in its charter

   EMPIRE EAST LAND HOLDINGS, INC.

5. Province, country or other jurisdiction of incorporation or organization

   Metro Manila

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

   21st Floor, The World Centre 330 Sen. Gil Puyat Avenue Makati City Philippines
   Postal Code
   1227

8. Issuer's telephone number, including area code

   (632) 867-8351 to 59

9. Former name or former address, and former fiscal year, if changed since last report

   N/A

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	14,676,199,167

11. Are any or all of registrant's securities listed on a Stock Exchange?

   ☑ Yes ☐ No

   If yes, state the name of such stock exchange and the classes of securities listed therein:

   The shares of common stock of the Company are listed on the Philippine Stock Exchange

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

☑ Yes ☐ No

(b) has been subject to such filing requirements for the past ninety (90) days

☑ Yes ☐ No

Empire East

Empire East Land Holdings, Inc.
ELI

PSE Disclosure Form 17-2 - Quarterly Report
References: SRC Rule 17 and
Sections 17.2 and 17.8 of the Revised Disclosure Rules

For the period ended	Sep 30, 2014
Currency (indicate units, if applicable)	Pesos

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Sep 30, 2014	Dec 31, 2013
Current Assets	25,345,827,829	22,025,338,171
Total Assets	35,191,894,081	32,951,239,400
Current Liabilities	7,590,598,179	5,605,368,953
Total Liabilities	10,174,252,018	8,161,285,477
Retained Earnings/(Deficit)	3,390,607,388	3,186,793,388
Stockholders' Equity	25,017,642,063	24,789,953,923
Stockholders' Equity - Parent	24,402,879,847	24,176,545,847
Book Value per Share	1.66	1.65

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Operating Revenue	758,758,093	432,416,355	1,965,515,875	1,670,688,078
Other Revenue	138,378,239	57,371,872	290,551,780	249,754,650
Gross Revenue	897,136,332	489,788,227	2,256,067,655	1,920,442,728
Operating Expense	739,151,722	429,312,165	1,890,899,833	1,603,343,201
Other Expense	22,274,063	10,807,332	80,170,278	94,483,759
Gross Expense	761,425,785	440,119,497	1,971,070,111	1,697,826,960
Net Income/(Loss) Before Tax	135,710,547	49,668,730	284,997,544	222,615,768
Income Tax Expense	30,614,467	5,561,974	79,829,404	93,432,178
Net Income/(Loss) After Tax	105,096,080	44,106,756	205,168,140	129,183,590
Net Income Attributable to Parent Equity Holder	104,670,883	43,834,208	203,814,000	128,047,693
Earnings/(Loss) Per Share (Basic)	-	-	0.01	0
Earnings/(Loss) Per Share (Diluted)	-	-	0.01	0

Other Relevant Information
N/A

Filed on behalf by:

Name	Rhodora Edangalino
Designation	Authorized User

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **30 September 2014**

2. Commission Identification Number: **AS094-006430**

3. BIR Tax Identification No. **003-942-108**

4. **EMPIRE EAST LAND HOLDINGS, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila**
   Province, Country or other jurisdiction of incorporation or organization

6. (SEC Use Only)
   Industry Classification Code

7. **21st Floor, The World Centre**
   330 Sen. Gil J. Puyat Avenue
   Makati City, Philippines 1227
   Address of issuer's principal office

8. **(632) 867-8351 to 59**
   Issuer's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Class	Number of Shares of Common Stock Outstanding
Common	**14,676,199,167**

10. Are any or all of the securities listed on a Stock Exchange?

    Yes [X]   **No [ ]**

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

    The shares of common stock of the Company are listed on the Philippine Stock Exchange.

11. Indicate by check mark whether the issuer:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports).

    Yes [X]   No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [X] No [ ]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Interim financial statements are attached as Exhibits 1 to 6 hereof and incorporated herein by reference:

Exhibit 1 - Consolidated Statements of Financial Position as of December 31, 2013 and September 30, 2014
Exhibit 2 - Consolidated Statements of Comprehensive Income as of September 30, 2013 and September 30, 2014
Exhibit 3 - Consolidated Statements of Changes in Equity as of September 30, 2013 and September 30, 2014
Exhibit 4 - Consolidated Statements of Cash Flows as of September 30, 2013 and September 30, 2014
Exhibit 5 - Notes to Interim Financial Information

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

Please refer to Exhibit 6 hereof.

Item 3. Aging of Accounts Receivables

Please refer to Exhibit 7 hereof.

Item 4. Schedule of Financial Soundness Indicators

Please refer to Exhibit 8 hereof.

PART II – OTHER INFORMATION

The Company is not in possession of information which has not been previously reported in a report on SEC Form 17-C and with respect to which a report on SEC Form 17-C is required to be filed.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EMPIRE EAST LAND HOLDINGS, INC.
Issuer

By:

EVELYN G. CACHO
Vice President for Finance (Principal Financial Officer) and Duly Authorized Officer
November 12, 2014

EXHIBIT 1

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(In thousand pesos)

	Unaudited 30-Sep-14	Audited 31-Dec-13
A S S E T S		
CURRENT ASSETS		
Cash and cash equivalents	P 406,531	P 504,471
Trade and other receivables - net	3,562,380	2,979,566
Residential and condominium units for sale	15,139,609	12,824,660
Property development costs	3,259,658	2,902,643
Advances to related parties	2,099,676	2,053,792
Prepayments and other current assets	877,974	760,206
Total Current Assets	25,345,828	22,025,338
NON-CURRENT ASSETS		
Trade and other receivables - net	2,841,917	2,421,692
Advances to landowners and joint ventures	762,192	787,075
Available-for-sale financial assets	2,927,600	2,905,080
Land held for future development	2,597,970	4,088,300
Investment in associates	302,948	293,372
Investment property - net	172,949	185,553
Property and equipment - net	155,208	160,370
Other non-current assets	85,282	84,459
Total Non-current Assets	9,846,066	10,925,901
TOTAL ASSETS	P 35,191,894	P 32,951,239

		Unaudited 30-Sep-14		Audited 31-Dec-13
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Interest-bearing loans and borrowings	**P**	**67,971**	P	71,200
Trade and other payables		**773,349**		438,133
Income tax payable		**166**		7,267
Deferred gross profit on real estate sales		**51,288**		49,704
Customers' deposits		**4,018,405**		2,957,369
Advances from related parties		**2,036,355**		1,643,354
Reserve for property development		**226,724**		132,642
Other current liabilities		**416,340**		305,700
Total Current Liabilities		**7,590,598**		5,605,369
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings		**89,720**		148,531
Reserve for property development		**807,329**		815,739
Deferred tax liabilities		**1,255,536**		1,177,480
Deferred gross profit on real estate sales		**140,366**		125,286
Retirement benefit obligation		**290,703**		288,880
Total Non-current Liabilities		**2,583,654**		2,555,917
Total Liabilities		**10,174,252**		8,161,285
EQUITY				
Equity attributable to parent company's shareholders		**24,402,880**		24,176,546
Non-controlling interest		**614,762**		613,408
Total Equity		**25,017,642**		24,789,954
TOTAL LIABILITIES AND EQUITY	**P**	**35,191,894**	P	32,951,239

EXHIBIT 2

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousand pesos, except earnings per share)

	Unaudited		Unaudited	
	July to Sept 2014	Jan to Sept 2014	July to Sept 2013	Jan to Sept 2013
REVENUES				
Real estate sales	P 561,287	P 1,470,718	P 266,712	P 1,132,630
Realized gross profit on prior years' sales	48,106	85,176	23,989	122,071
Finance income	132,171	280,976	55,467	242,645
Equity in net earnings of associates	6,206	9,575	1,904	7,109
Commissions and other income	149,366	409,623	141,716	415,988
	897,136	2,256,068	489,788	1,920,443
COSTS & EXPENSES				
Cost of real estate sales	341,427	935,223	157,473	712,541
Deferred gross profit on current year's sales	64,333	101,840	14,102	68,068
Finance costs	22,274	80,170	10,808	94,484
Operating expenses	333,392	853,838	257,736	822,734
Tax expense	30,614	79,829	5,562	93,432
	792,040	2,050,900	445,681	1,791,259
NET PROFIT	105,096	205,168	44,107	129,184
Net profit attributable to:				
Parent company's shareholders	P 104,671	P 203,814	P 43,834	P 128,048
Non-controlling interest	425	1,354	273	1,136
	P 105,096	P 205,168	P 44,107	P 129,184
OTHER COMPREHENSIVE INCOME (LOSS)				
Fair value gains (losses) on available-for-sale financial assets	(349,060)	22,520	11,260	796,424
TOTAL COMPREHENSIVE INCOME (LOSS)	P (243,964)	P 227,688	P 55,367	P 925,608
Total comprehensive income (loss) attributable to:				
Parent company's shareholders	P (244,389)	P 226,334	P 55,094	P 924,472
Non-controlling interest	425	1,354	273	1,136
	P (243,964)	P 227,688	P 55,367	P 925,608
Earnings Per Share				
Basic		P 0.0139		P 0.0087
Diluted		P 0.0139		P 0.0087

EXHIBIT 3

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES

COMPARATIVE STATEMENTS OF CHANGES IN EQUITY

(In Thousands)

		Unaudited 30-Sep-2014		Unaudited (Restated) 30-Sep-2013
CAPITAL STOCK		**P 14,803,455**		P 14,803,455
ADDITIONAL PAID-IN CAPITAL		**4,307,888**		4,307,888
TREASURY SHARES		**(102,107)**		(102,107)
REVALUATION RESERVES				
Balance at beginning of year	**1,980,516**		1,030,386	
Net unrealized fair value gains (losses) on available-for-sale financial assets	**22,520**		796,424	
Balance at end of period		**2,003,036**		1,826,810
RETAINED EARNINGS		**3,390,608**		3,015,374
MINORITY INTEREST		**614,762**		613,752
TOTAL EQUITY		**P 25,017,642**		P 24,465,172

EXHIBIT 4

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousand pesos)

		Unaudited 30-Sep-14		Unaudited (Restated) 30-Sep-13
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax	**P**	**284,998**	P	222,616
Adjustments for:				
Depreciation and amortization		**28,407**		27,696
Finance costs		**80,170**		94,484
Finance income		**(280,976)**		(242,645)
Equity in net earnings of associates		**(9,575)**		(7,109)
Operating income before working capital changes		**103,024**		95,042
Net Changes in Operating Assets and Liabilities				
Increase in current and non-current assets		**(2,147,798)**		(2,084,384)
(Decrease) Increase in current and other non-current liabilities		**1,771,333**		(1,086,657)
Increase in reserve for property development		**85,672**		(2,300)
Cash used in operations		**(187,769)**		(3,078,299)
Interest received		**146,906**		149,324
Cash paid for income taxes		**(16,797)**		(34,720)
Net Cash Used in Operating Activities		**(57,660)**		(2,963,695)
CASH FLOWS FROM INVESTING ACTIVITIES		**33,870**		6,322
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		**(74,150)**		1,089,318
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(97,940)**		(1,868,055)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**504,471**		3,033,223
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**P**	**406,531**	P	1,165,168

EXHIBIT 5

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE 9 MONTHS ENDED SEPTEMBER 30, 2014, AND 2013
(UNAUDITED)
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

Empire East Land Holdings, Inc. (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on July 15, 1994. The Company is presently engaged in the development and marketing of mid-cost housing projects in the form of condominium communities, subdivision lots and house and lot packages, and commercial units to a limited extent. The Company also leases out commercial and industrial properties.

The shares of common stock of the Company are listed at the Philippine Stock Exchange (PSE).

The Company holds ownership interests in the following entities:

Subsidiaries/ Associates	Explanatory Notes	Percentage of Ownership September 2014	2013
Subsidiaries:			
Eastwood Property Holdings, Inc. (EPHI)	(a)	100%	100%
Valle Verde Properties, Inc. (VVPI)	(b)	100%	100%
Sherman Oak Holdings, Inc. (SOHI)	(c)	100%	100%
Empire East Communities, Inc. (EECI)	(d)	100%	100%
Laguna BelAir Science School, Inc. (LBASSI)	(e)	73%	73%
Sonoma Premier Land, Inc. (SPLI)	(f)	60%	60%
Associates:			
Gilmore Property Marketing Associate, Inc. (GPMAI)	(g)	47%	47%

Explanatory Notes:

(a) Subsidiary incorporated in 1996 and serves as the marketing arm of the Company for the latter's projects, as well as those of other related parties.

(b) Subsidiary incorporated in 2006; additional shares were acquired in November 2008 through assignment of shares from a third party.

(c) Subsidiary incorporated in 2007; shares acquired through assignment of shares from Yorkshire Holdings Inc., a related party, in January 2008.

(d) Subsidiary incorporated in 2008 to primarily engage in the purchase, development, sale and lease of real properties but is currently engaged in the marketing of real estate properties.

(e) Subsidiary incorporated in 1996 to primarily engage in operating a school for primary and secondary education.
(f) Subsidiary incorporated in 2007 as a holding entity to primarily engage in the development and marketing of all kinds of real estate. Additional shares were acquired from First Centro, Inc. in March and June 2008.
(g) Entity incorporated in 1996. In 2012, the entity was deconsolidated and treated as an associate of the Company.

The place of incorporation, which is similar with the place of operation of the Company's subsidiaries and affiliates, are located at 21st Floor, The World Centre Building, 330 Sen. Gil Puyat Avenue, Makati City except EPHI and LBASSI. The place of incorporation as well as the principal place of business of EPHI and LBASSI are summarized below.

(a) EPHI – 28th Floor, The World Centre Building, 330 Sen. Gil Puyat Avenue, Makati City
(b) LBASSI – Brgy. Don Jose, Sta. Rosa, Laguna

In 2013, the Company sold its 33% ownership interest in SPI to Megaworld. A total of 315,000,008 shares were sold for a total consideration of P471.2 million. As a result of the sale, SPI ceased to be an associate of the Company.

In 2012, GPMAI issued additional 5,000,000 shares of stock at P1 par value which were purchased by a third party. As a result, the percentage of ownership of the Company over GPMAI was reduced from 52% to 47%.

Starting June 2011, the Company became a subsidiary of Megaworld. In June 2013, the Company issued additional 1.2 billion common shares to its parent, Megaworld for a price of P1.26 billion.

The intermediate parent company, Megaworld is engaged in the development of large scale mixed-use planned communities or townships that integrate residential, commercial, leisure and entertainment components. The parent company is presently engaged in property-related activities, such as, project design, construction and property management. Alliance Global Group, Inc. (AGI) is the Company's ultimate parent company. AGI is a holding company with diversified investments in food and beverage, real estate, tourism-entertainment and gaming and quick service restaurant businesses. The shares of common stock of both Megaworld and AGI are listed at the PSE.

The registered office of the Company is located at the 21st Floor, The World Centre Building, 330 Sen. Gil Puyat Avenue, Makati City. Megaworld's registered office is on the 28th Floor of the same building. On the other hand, AGI's registered office is located at the 7th Floor 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriquez Jr. Avenue, Bagumbayan, Quezon City. These entities' registered offices are also their respective principal places of business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarized below and in the succeeding pages. The policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Financial Statements

The consolidated financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Group presents all items of income and expenses in a single statement of comprehensive income.

(c) Functional and Presentation Currency

These consolidated financial statements are presented in Philippine pesos, the functional and presentation currency of the Group, and all values represent absolute amounts except when otherwise indicated.

2.2 Adoption of New and Amended PFRS

(a) Effective in 2014 that are Relevant to the Company

There are new PFRS, amendments, annual improvements and interpretations to existing standards that are effective for periods subsequent to 2013. Management has initially determined the following pronouncements, which the Group will apply in accordance with their transitional provisions, to be relevant to its financial statements:

PAS 19 (Amendment), *Employee Benefits: Defined Benefit Plans – Employee Contributions* (effective from January 1, 2014). The amendment clarifies that if the amount of the contributions from employees or third parties is dependent on the number of years of service, an entity shall attribute the contributions to periods of service using the same attribution method (i.e., either using the plan's contribution formula or on a straight-line basis) for the gross benefit. Management has initially determined that this amendment will have no impact on the Group's consolidated financial statements.

(i) PAS 32 (Amendment), *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities* (effective from January 1, 2014). The amendment provides guidance to address inconsistencies in applying the criteria for offsetting financial assets and financial liabilities. It clarifies that a right of set-off is required to be legally enforceable, in the normal course of business; in the event of default; and in the event of insolvency or bankruptcy of the entity and all of the counterparties. The amendment also clarifies the principle behind net settlement and provided characteristics of a gross settlement system that would satisfy the criterion for net settlement. The Group does not expect this amendment to have a significant impact on its consolidated financial statements.

(ii) PAS 36 (Amendment), *Impairment of Assets – Recoverable Amount Disclosures for Non-financial Assets* (effective from January 1, 2014). The amendment clarifies that the requirements for the disclosure of information about the recoverable amount of assets or cash-generating units is limited only to the recoverable amount of impaired assets that is based on fair value less cost of disposal. It also introduces an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount based on fair value less cost of disposal is determined using a present value technique. Management will reflect in its subsequent years' consolidated financial statements the changes arising from this relief on disclosure requirements.

(iii) PFRS 9, *Financial Instruments: Classification and Measurement*. This is the first part of a new standard on financial instruments that will replace PAS 39, *Financial Instruments: Recognition and Measurement*, in its entirety. The first phase of the standard was issued in November 2009 and October 2010 and contains new requirements and guidance for the classification, measurement and recognition of financial assets and financial liabilities.

The Group does not expect to implement and adopt PFRS 9 until its effective date. In addition, management is currently assessing the impact of PFRS 9 on the consolidated financial statements of the Group and it plans to conduct a comprehensive study of the potential impact of this standard prior to its mandatory adoption date to assess the impact of all changes.

(iv) Philippine IFRIC 15, *Agreements for Construction of Real Estate*. This Philippine interpretation is based on IFRIC interpretation issued by the IASB in July 2008 effective for annual periods beginning on or after January 1, 2009. The adoption of this interpretation in the Philippines, however, was deferred by the FRSC and Philippine Securities and Exchange Commission after giving due considerations on various application issues and the implication on this interpretation of the IASB's on-going revision of the Revenue Recognition standard. This interpretation provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of PAS 11, *Construction Contracts*, or PAS 18, *Revenue*, and accordingly, when revenue from the construction should be recognized. The main expected change in practice is a shift from recognizing revenue using the percentage of completion method (i.e., as a construction progresses, by reference to the stage of completion of the development) to recognizing revenue at completion upon or after delivery. The Group is currently evaluating the impact of this interpretation on its consolidated financial statements in preparation for its adoption when this becomes mandatorily effective in the Philippines.

(v) Annual Improvements to PFRS. Annual Improvements to PFRS(2010-2012 Cycle) and PFRS (2011-2013 Cycle) made minor amendments to a number of PFRS, which are effective for annual period beginning on or after July 1, 2014. Among those improvements, the following amendments are relevant to the Group but management does not expect a material impact on the Group's consolidated financial statements:

Annual Improvements to PFRS (2010-2012 Cycle)

(a) PAS 16 (Amendment), *Property, Plant and Equipment* and PAS 38 (Amendment), *Intangible Assets*. The amendments clarify that when an item of property, plant and equipment, and intangible assets is re valued, the gross carrying amount is adjusted in a manner that is consistent with a revaluation of the carrying amount of the asset.

(b) PAS 24 (Amendment), *Related Party Disclosures*. The amendment clarifies that entity providing key management services to a reporting entity is deemed to be a related party of the latter. It also requires and clarifies that the amounts incurred by the reporting entity for key management personnel services that are provided by a separate management entity should be disclosed in the financial statements, and not the amounts of compensation paid or payable by the key management entity to its employees or directors.

(c) PFRS 3 (Amendment), *Business Combinations* (effective July 1, 2014). Requires contingent consideration that is classified as an asset or a liability to be measured at fair value at each reporting date.

(d) PFRS 13 (Amendment), *Fair Value Measurement*. The amendment, through a revision only in the basis of conclusion of PFRS 13, clarifies that issuing PFRS 13 and amending certain provisions of PFRS 9 and PAS 39 related to discounting of financial instruments, did not remove the ability to measure short-term receivables and payables with no stated interest rate on an undiscounted basis, when the effect of not discounting is immaterial.

Annual Improvements to PFRS (2011-2013 Cycle)

(a) PFRS 3 (Amendment), *Business Combinations* (effective July 1, 2014). Clarifies that PFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.

(b) PFRS 13 (Amendment), *Fair Value Measurement*. The amendment clarifies that the scope of the exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis (the portfolio exception) applies to all contracts within the scope of, and accounted for in accordance with, PAS 39 or PFRS 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in PAS 32.

(c) PAS 40 (Amendment), *Investment Property*. The amendment clarifies the interrelationship of PFRS 3, *Business Combinations*, and PAS 40 in determining the classification of property as an investment property or owner-occupied property, and explicitly requires entity to use judgment in determining whether the acquisition of an investment property is an acquisition of an asset or a group of asset, or a business combination in reference to PFRS 3.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS require management to make judgments and estimates that affect amounts reported in the consolidated financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately vary from these estimates.

3.1 Critical Judgments in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the consolidated financial statements:

(a) Impairment of AFS Financial Assets

The determination when an investment is other-than-temporarily impaired requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance and operational and financing cash flows.

(b) Distinction Among Investment Property, Owner-managed Properties and Land Held for Future Development

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generates cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the Group's main line of business while land held for future development are properties intended solely for future development.

Based on management's assessment, properties held for lease and for capital appreciation qualifies as investment property.

(c) Distinction between Operating and Finance Leases

The Group has entered into various lease agreements as either a lessor or lessee. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements.

Based on management's assessment, the Group's current lease agreements are classified as operating lease.

(d) Recognition of Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(a) Determining Net Realizable Value of Residential and Condominium Units for Sale, Property Development Costs and Land Held for Future Development

In determining the net realizable value of residential and condominium units for sale, property development costs and land held for future development, management takes into account the most reliable evidence available at the times the estimates are made. The future realization of the carrying amounts of these assets is affected by price changes in the different market segments as well as the trends in the real estate industry. These are considered key sources of estimation and uncertainty and may cause significant adjustments to the Group's Residential and Condominium Units for Sale, Property Development Costs and Land Held for Future Development within the next financial year.

(b) Estimating Useful Lives of Property and Equipment and Investment Property

The Group estimates the useful lives of property and equipment and investment property based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment and investment property are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

(c) Impairment of Trade and Other Receivables and Advances to Landowners and Joint Ventures

Adequate amount of allowance for impairment is provided for specific and groups of accounts, where objective evidence of impairment exists. The Group evaluates the amount of allowance for impairment based on available facts and circumstances affecting the collectibility of the accounts, including, but not limited to, the length of the Group's relationship with the counterparties, the counterparties' current credit status, average age of accounts, collection experience and historical loss experience.

(d) Fair Value Measurements of Financial Instruments

The Group carries certain financial assets at fair value, which are classified as Level 1 fair values as these investments are traded in the stock market. As such, no significant accounting estimates and judgment was made on its FVTPL and AFS financial assets.

(e) Determining Realizable Amount of Deferred Tax Assets

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

(f) Impairment of Non-financial Assets

The Group's interest in its Non-financial Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Though management believes that the assumptions used in the estimation of fair values are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

(g) Valuation of Post-Employment Defined Benefit

The determination of the Group's obligation and cost of post-employment benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates and salary increase rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense and the carrying amount of the post-employment benefit obligation in the next reporting period.

(h) Revenue Recognition Based on Percentage-of-Completion Method

The Group uses the percentage-of-completion method in accounting for its realized gross profit on real estate sales. The use of the percentage-of-completion method requires the Group to estimate the portion completed to date as a proportion of the total budgeted cost of the project.

(i) Basis for Revenue Recognition Benchmark

The Group recognizes its revenue in full when a certain percentage of the net contract price is received. Management believes that the revenue recognition criterion on percentage of collection is appropriate based on the Group's collection history of customers and number of back out sales in prior years. A buyer's interest in the property is considered to have vested when a defined percentage of the net contract price has been received from the buyer and the Group ascertained the buyer's commitment to complete the payment of the total contract price.

(j) Determination of Fair Value of Investment Property

Investment Property is measured using the cost model. The consolidated financial statements is determined by the Group using the discounted cash flows valuation technique since the information on current or recent prices of investment property is not available. The Group uses assumptions that are mainly based on market conditions existing at each reporting periods.

4. SEGMENT REPORTING

4.1 Business Segments

The Group's operating businesses are organized and managed separately according to the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group is engaged in the development and marketing of mid-cost housing projects in the form of condominium communities, subdivision lots and house and lot packages, and commercial units to a limited extent. It classifies and monitors its projects into high-rise and horizontal. High-rise projects refer to condominiums and other medium scale properties while the horizontal projects refer to house and lot packages and subdivision lots. Both are intended for middle income market.

4.2 Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist principally of operating receivables, property development cost, residential and condominium units for sale and investment property. Segment liabilities include all operating liabilities incurred by management in each particular segment.

4.3 Intersegment Transactions

There are no intersegment transactions. In case of inter-segment sales and transfers, the Group generally accounts for them as if the sales or transfers were made to third parties at current market prices. Intersegment sales and transfers, if any, are eliminated in the preparation of the financial statements.

4.4 Analysis of Segment Information

The following tables present the revenue and profit information regarding industry segments for the nine months ended September 30, 2014 and 2013 and certain assets and liabilities information regarding industry segments as of September 30, 2014 and December 31, 2013.

		High Rise Projects				Horizontal Projects				Total		
		Sept. 30, 2014		Sept. 30, 2013		Sept. 30, 2014		Sept. 30, 2013		Sept. 30, 2014		Sept. 30, 2013
REVENUES												
Sales	**P**	**1,281,587,013**	P	904,836,693	**P**	**189,131,398**	P	227,793,271	**P**	**1,470,718,411**	P	1,132,629,964
Realized gross profit on prior years' sale		**52,183,273**		86,063,851		**32,992,797**		36,006,739		**85,176,070**		122,070,590
Finance income		**149,222,679**		148,005,419		**(3,108,728)**		553,147		**146,113,951**		148,558,566
Commission & Other Income		**168,438,458**		139,077,424		**44,807,506**		40,219,631		**213,245,964**		179,297,055
Total Revenues		**1,651,431,423**		1,277,983,387		**263,822,973**		304,572,788		**1,915,254,396**		1,582,556,175
COSTS AND OTHER OPERATING EXPENSES												
Cost of sales		**839,587,932**		595,366,613		**95,635,553**		117,174,228		**935,223,485**		712,540,841
Deferred gross profit on current years' sale		**97,732,313**		41,568,781		**4,107,783**		26,499,664		**101,840,096**		68,068,445
Operating expenses		**236,759,280**		267,687,029		**55,512,626**		94,483,210		**292,271,906**		362,170,239
Cost and other operating expenses excluding depreciation and amortization		**1,174,079,525**		904,622,423		**155,255,962**		238,157,102		**1,329,335,487**		1,142,779,525
Depreciation and amortization		**2,517,631**		2,575,502		**10,484,164**		10,564,714		**13,001,795**		13,140,216
		1,176,597,156		907,197,925		**165,740,126**		248,721,816		**1,342,337,282**		1,155,919,741
SEGMENT OPERATING PROFIT (LOSS)	**P**	**474,834,267**	P	370,785,462	**P**	**98,082,847**	P	55,850,972	**P**	**572,917,114**	P	426,636,434

	High Rise Projects		Horizontal Projects		Total	
	Sept. 30, 2014	Dec. 31, 2013	Sept. 30, 2014	Dec. 31, 2013	Sept. 30, 2014	Dec. 31, 2013
SEGMENT ASSETS AND LIABILITIES						
Segment Assets	**15,426,154,123**	14,074,551,368	**6,713,889,033**	4,990,407,147	**22,140,043,156**	19,064,958,515
Segment Liabilities	**997,697,089**	798,100,218	**228,009,506**	325,270,520	**1,225,706,595**	1,123,370,738

4.5 Reconciliations

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its financial statements

		Sept. 30, 2014		Sept. 30, 2013
Revenues				
Total segment revenues	P	**1,915,254,396**	P	1,582,556,175
Other unallocated revenues		**340,813,259**		337,886,553
Revenues as reported in profit or loss	P	**2,256,067,654**	P	1,920,442,728
Profit or loss				
Segment operating profit	P	**572,917,114**	P	426,636,434
Other unallocated income		**340,813,259**		337,886,553
Other unallocated expense		**(628,732,829)**		(541,907,219)
Profit before tax as reported in profit or loss	P	**284,997,544**	P	222,615,768

		Sept. 30, 2014		Dec. 31, 2013
Assets				
Segment Assets	P	**22,140,043,156**	P	19,064,958,515
Unallocated Assets		**13,051,850,925**		13,886,280,885
Total assets as reported in the consolidated statements of financial position	P	**35,191,894,081**	P	32,951,239,400
Liabilities				
Segment Liabilities	P	**1,225,706,595**	P	1,123,370,739
Unallocated Liabilities		**8,948,545,423**		7,037,914,738
Total liabilities as reported in the consolidated statements of financial position	P	**10,174,252,018**	P	8,161,285,477

5. STOCK RIGHT

On April 24, 2012, the Company's BOD approved the offer for subscription of 2,695,239,833 new shares (the "right shares") by way of a pre-emptive offer (the "rights offer") to holders of its common shares at the proportion of one new share for every four existing common shares, at the offer/exercise price equivalent to their par value of P1 per share. This was approved by SEC on August 30, 2012.

Also, on April 24, 2012, the BOD approved the increase in the Company's authorized capital stock from P23.5 billion divided into 21.5 billion common and 2 billion preferred shares both with par value of P1 each, to P33.5 billion divided into 31.5 billion common and 2 billion preferred shares both with par value of P1 per share. The application for the increase in authorized capital stock was approved by the SEC on October 17, 2012.

As of September 30, 2014, the Company's number of shares issued and outstanding totalled 14,803,455,238 with total Treasury Stock of 127,256,071.

6. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to parent company's shareholders divided by the weighted average number of shares in issue during the period.

Earnings per share amounts were computed as follows:

	September 30, 2014	September 30, 2013
Weighted average number of shares	**14,676,199,167**	14,676,199,167
Income available to parent company's Shareholders	**P 203,814,000**	P 128,047,693
Basic	**P 0.0139**	P 0.0087
Diluted	**P 0.0139**	P 0.0087

7. COMMITMENTS AND REAL ESTATE PROPERTIES

There were no material contingencies and any other events or transactions that have material impact on the current interim period. There were no issuances, repurchases, and repayments of debt on the current interim period.

8. SEASONAL FLUCTUATIONS

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the group.

9. ASSESSMENT OF FINANCIAL RISKS

The Group is exposed to a variety of financial risks, which result from both its operating and investing activities. Risk management is carried out by a central treasury department under policies approved by the BOD, and focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described below.

9.1) Foreign Currency Sensitivity

Most of the Group's transactions are carried out in Philippine pesos, its functional currency. Foreign exchange risk arises from the Group's U.S. dollar-denominated cash and cash equivalents.

To mitigate the Group's exposure to foreign currency risk, non-Philippine peso cash flows are closely monitored.

The Group's U.S.-dollar denominated financial assets, translated into Philippine pesos amounted to P52.6 million as of September 30, 2014.

At September 30, 2014, if the peso had strengthened by 3.5% against the U.S. dollar with all other variables held constant, income before tax for the year would have been P1.84 million higher, mainly as a result of foreign exchange gain on translation of U.S. dollar-denominated cash and cash equivalents.

On the other hand, if the peso had been weaker by the same percentage, with all other variables held constant, income before tax would have been lower by the same amount.

The 3.5% movement in the value of peso against U.S. dollar was estimated based on the market volatility in exchange rates. The sensitivity analysis is based on the Group's foreign currency financial instruments held at the reporting period.

Exposures to foreign exchange rates vary during the year depending on the volume of transactions. Nonetheless, the analysis above is considered to be representative of the Group's currency risk.

9.2) Interest Rate Sensitivity

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest rate risk arises only from cash and cash equivalents, which are subject to variable interest rates. Financial assets and liabilities at variable rates expose the group to cash flow interest rate risk. All other financial assets and liabilities have fixed rates.

On September 30, 2014, if general interest rates on dollar and peso-denominated financial assets had been higher by 0.33%, with all other variables held constant, income before tax for the year would have been P1.1 million higher, mainly as a result of higher interest income on floating rate deposits.

The movements in interest rates used in the sensitivity analysis are considered reasonably possible and are based on observation of interest rate fluctuations for the past six months using a 95%-confidence level. The calculations are based on the Group's financial instruments held at each reporting period, with effect estimated from the beginning of the year.

9.3) Credit Risk

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the statements of financial position, as summarized below.

	As of Sept. 30,2014	As of Dec. 31, 2013
Cash and cash equivalents	**P 406,531,408**	P 504,471,331
Trade and other receivables - net	**5,169,989,185**	4,535,668,171
Advances to related parties	**2,099,675,848**	2,053,791,774
	P 7,676,196,441	P 7,093,931,276

The credit risk for liquid funds is considered negligible, since the counter parties are reputable banks with high quality external credit ratings. In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counter party or any group of counter parties having similar characteristics.

The Group continuously monitors defaults of customers and other counter parties, identified either individually or by group, and incorporate this information into its credit risk controls. The Group's policy is to deal only with creditworthy counter parties. In addition, for a significant proportion of sales, advance payments are received to mitigate credit risk.

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

9.4) Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

The Group maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits or short-term marketable securities. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

As at September 30, 2014, the Group's financial liabilities have contractual maturities which are presented below:

	Within 6 Months	1 to 5 Years
Interest-bearing loans and borrowings	P 67,971,313	P 89,719,565
Trade and other payables	560,744,605	-
Advances from related parties	2,036,355,073	-
Other current liabilities	386,585,439	-
	P 3,051,656,430	P 89,719,565

This compares to the maturity of the Group's financial liabilities in the previous reporting period as follows:

	Within 6 Months	1 to 5 Years
Interest-bearing loans and borrowings	P 46,718,976	P 217,927,707
Trade and other payables	377,303,492	-
Advances from related parties	1,643,353,984	-
Other current liabilities	287,912,670	-
	P 2,355,289,122	P 217,927,707

The above contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the reporting period.

9.5) *Other Market Price Risk*

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the balance sheet as available-for-sale financial assets. The Group is not exposed to commodity price risk.

At September 30, 2014, if the quoted stock price for the securities had decreased by 0.09% with all other variables held constant, equity would have been lower by about P2.5 million. The 0.09% estimated change in quoted market price is computed based on volatility of local index for holdings first listed at Philippine Stock Exchange.

On the other hand, if the quoted market price for these securities had increased by the same amount, with all other variables held constant, equity for the year would have been higher by the same figure.

The investments in listed equity securities are considered long-term, strategic investments. In accordance with the Group's policies, no specific hedging activities are undertaken in relation to these investments. The investments are continuously monitored and voting rights arising from these equity instruments are utilized in the Group's favor.

10. FINANCIAL INSTRUMENTS EVALUATION

Financial assets include cash and financial instruments. The Group classifies its financial assets, other than hedging instruments, into the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the investments were acquired. The designation of financial assets is re-evaluated at every reporting date at which date a choice of classification or accounting treatment is available, subject to compliance with specific provisions of applicable accounting standards.

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

Regular purchase and sales of financial assets are recognized on their trade date. All financial assets that are not classified as at fair value through profit or loss are initially recognized at fair value, plus transaction costs. Financial assets carried at fair value through profit or loss is initially recognized at fair value and transaction costs are expensed in the statements of comprehensive income.

The foregoing categories of financial instruments are more fully described below.

10.1) Financial Assets at Fair Value through Profit or Loss

This category includes financial assets that are either classified as held for trading or are designated by the entity to be carried at fair value through profit or loss upon initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling it in the near term or if so designated by management. Derivatives are also categorized as 'held for trading' unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realized within 12 months from the reporting period.

Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognized in profit or loss. Financial assets originally are designated as financial assets at fair value through profit or loss may not be subsequently be reclassified.

10.2) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the reporting period which are classified as non-current assets.

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less any impairment losses. Any change in their value is recognized in profit or loss. Impairment loss is provided when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the assets' carrying amount and the present value of estimated cash flows.

The Group's loans and receivables are presented as Trade and other receivables, Advances to landowners and joint ventures, and Advances to related parties in the statements of financial position.

10.3) Held-to-maturity Investments

This category includes non-derivative financial assets with fixed or determinable payments and a fixed date of maturity. Investments are classified as held-to-maturity if the Group has the positive intention and ability to hold them until maturity. Investments intended to be held for an undefined period are not included in this classification. They are included in non-current assets in the statements of financial position, except those maturing within 12 months of the reporting period.

Held-to-maturity investments are measured at amortized cost using the effective interest method. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognized in profit or loss.

10.4) Available-for-sale Financial Assets

This category includes non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. They are included in non-current assets unless management intends to dispose of the investment within 12 months from the reporting period.

All financial assets within this category are subsequently measured at fair value, unless otherwise disclosed, with changes in value recognized in equity, net of any effects arising from income taxes. Gains and losses arising from securities classified as available-for-sale are recognized in the statements of comprehensive income when they are sold or when the investment is impaired.

In the case of impairment, any loss previously recognized in equity is transferred to the statements of comprehensive income. Impairment losses recognized in the statements of comprehensive income on equity securities are not reversed through the statements to comprehensive income. Losses recognized in prior year statements of comprehensive income resulting from the impairment of debt instruments are reversed through the statements of comprehensive income.

For investment that are actively traded in organized financial markets, fair value is determined by reference to quoted market bid prices in the stock exchange at the close of business on the reporting period. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

Non-compounding interest and other cash flows resulting from holding financial assets are recognized in consolidated profit or loss when received, regardless of how the related carrying amount of financial assets is measured.

De-recognition of financial assets occurs when the rights to receive cash flows from the financial instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

The Group has no investment in foreign securities as of reporting period. The markets of the Group's Available-for-sale financial assets are active.

EXHIBIT 6

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

Review of September 30, 2014 versus September 30, 2013

During the nine-month period, the consolidated net profit amounted to P205.2 million, 59% higher than the previous year's net income of P129.2 million. Consolidated revenues, composed of real estate sales, realized gross profit, finance income, earnings of associates, commissions and other revenues posted an increase of 17% from P1.92 billion to P2.26 billion.

Real Estate Sales

The Group registered Real Estate Sales of P1.47 billion for nine months ended September 30, 2014 compared with P1.13 billion in 2013. The sales generated were derived from various projects including, San Lorenzo Place, Pioneer Woodlands, The Sonoma, The Rochester Gardens, The Cambridge Village, California Gardens Square, Kasara Urban Resort Residences and Little Baguio Terraces.

The Cost of Real Estate Sales amounting to P935.2 million in 2014 and P712.5 million in 2013, as a percentage of Real Estate Sales, was 64% and 63%, respectively. The change was primarily due to the different composition of products sold for each year.

Gross Profit was P535.5 million during the nine months of 2014 and P420.1 million in 2013, or 36% and 37% of Real Estate Sales, respectively. The gross profit margin varies depending on the product mix and the competitiveness of prices of each product. Realized Gross Profit amounting to P518.8 million in 2014 and P474.1 million in 2013, represents 35% and 42% of Real Estate Sales, respectively.

Other Revenues

The finance income amounting to P281.0 million and P242.6 million in 2014 and 2013 respectively, were derived mostly from in-house financing and accounts for 12% and 13% of total revenues. Additional sources of revenue were commissions of a subsidiary, rentals of investment properties and those obtained from other sources. Commission and other income totaling P409.6 million in 2014 and P415.9 million in 2013, represents 18% and 22% of total revenues, respectively.

Operating Expenses

Operating Expenses posted an increase from P823.0 million in 2013 to P854.0 million in 2014. Other charges/expenses include Finance Cost of P80.2 million and P94.5 million in 2014 and 2013, respectively.

FINANCIAL CONDITION

Review of September 30, 2014 versus December 31, 2013

Total resources of the Group as of September 30, 2014 and December 31, 2013 amounted to P35.2 billion and P33.0 billion respectively. Cash and Cash Equivalents decreased from P504.5 million to P406.5 million. The Group remained liquid with Total Current Assets of P25.3 billion in 2014 and P22.0 billion in 2013, which accounted for 72% and 67% of the Total Assets in 2014 and 2013 respectively, while its Total Current Liabilities amounted to P7.6 billion in September 30, 2014 as compared with P5.6 billion in December 31, 2013.

Equity increased from P24.8 billion in the previous year to P25.0 billion as of September 30, 2014 due to revaluation of equity investments and net income for the 9-month period.

For the nine months of 2014, the Group sourced its major cash requirements from internally generated funds, and partly from borrowings.

For 2013, the Group sourced its major cash requirements from internally generated funds, subscription proceeds, disposal and sale of investment in associate and partly from borrowings.

The Group utilized its funds for construction and development of projects, purchase of properties, loan repayments, settlement of various payables and other operating expenses.

TOP FIVE (5) KEY PERFORMANCE INDICATORS

For the nine-month period of 2014, the following are top key performance indicators of the Group:

1) **Increase in Real Estate Sales**

   The Group's marketing concepts and sales strategies, project location, flexible payment scheme and aggressive selling have contributed to the increase in sales. The Group's new projects are connected to mass transit system and are conveniently located in business districts of Metro Manila

2) **Increase in Reservation Sales**
   Effective marketing concepts and strategies, aggressive selling and prime location of projects contributed to the increase in reservation sales and collections.

3) **Ability to repay loan obligations**

The loan obligations were promptly settled. The Group maintains a good credit standing with creditor banks and has considerable standby credit facilities, which can be utilized for urgent capital requirements.

4) **Continuous development of projects**

The Group aggressively undertakes construction and development activities and has been exerting efforts to deliver its projects within the commitment timetable.

5) **Landbanking**

The Group has been continuously acquiring interests in properties through either outright acquisitions or joint venture arrangements with landowners. It intends to have sufficient properties for development within the next 5 to 7 years.

Material Changes in the 2014 Interim Financial Statements
(Increase or decrease of 5% or more versus December 31, 2013)

Statements of Financial Position

- 19% decrease in Cash and cash equivalents
  Mainly due to construction related payments

- 19% increase in Trade and other receivables
  Due to increase in real estate sales

- 12% increase in Property development cost
  Due to ongoing construction and development activities

- 18% increase in Residential Condominium Units for Sale
  Due to ongoing construction and development activities

- 15% increase in Prepayments and other current assets
  Mainly due to increase in prepaid taxes related to transfer of titles and input vat on purchases

- 36% decrease in Land held for future development
  Mainly due to reclassification of land to property development cost

- 7% decrease in Investment property
  Primarily due to depreciation charges

- 28% decrease in Interest-bearing loans and borrowings
  Due to payment of loans

- 77% increase in Trade and other payables
  Various payables to contractors and suppliers due to increasing construction activities

- 98% decrease in Income tax payable
  Mainly due to payment of previous year's income tax payable

- 10% increase in Deferred Gross Profit on Real Estate Sales
  Mainly due to unearned gross profit on sales of new projects

- 36% increase in Customers' deposits
  Mainly due to increase in reservation sales and collection from various projects

- 24% increase in Advances from related parties
  Due to construction related advances

- 9% increase in Reserve for property development
  Pertains to estimated cost to complete the construction/development of sold units

- 36% increase in Other current liabilities
  Due to increase in retention payable to suppliers and contractors

Statements of Income
(Increase or decrease of 5% or more versus September 30,2013)

- 30% increase in Real estate sales
  Due to aggressive selling of projects

- 30% decrease in Realized gross profit on prior years' sale
  Due to construction accomplishment of certain projects

- 16% increase in Finance income
  Primarily due to varying payment terms under in-house financing

- 35% increase in Equity in net earnings of associates
  Primarily due to increase in earnings of associate

- 31% increase in Cost of real estate sales
  Mainly attributed to increase in sales

- 50% increase in Deferred gross profit on current year's sales
  Due to increase in sales of on-going projects

- 15% decrease in Finance costs
  Mainly due to repayments of loans

- 15% decrease in Tax expense
  Mainly due to decrease in taxable income

For the year 2014, the projected capital expenditures (construction and development) of roughly P4.0 billion is expected to be funded by collections, borrowings and equity financing.

Fluctuations in foreign exchange rate had no adverse effect on the Group's financial conditions since the Group has very minimal importations of construction-related materials and have no foreign denominated loans.

There are no other material changes in the Group's financial position and condition (5% or more) that will warrant a more detailed discussion. Likewise, there are no material events and uncertainties known to the management that would have material impact on reported financial information and normal operations of the Group.

The nature of all revenues and expenses disclosed in the statements of comprehensive income are business related transactions and arose from the Group's continuing operations. Also, no prior period adjustment was made during any period covered by the statements of financial position.

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

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

The Group is aggressively marketing its products specially the new projects. It continuously offers competitive prices, more lenient payment schemes under in-house financing and has strong tie-ups with reputable banks for the financing requirements of its buyers.

Exhibit 7

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
As of September 30, 2014
Amounts in thousands

1) Aging of Accounts Receivable

Type of Receivables	Total	Current / Not Yet Due	1-3 Months	4-6 Months	7 Months - 1 Year	Above 1 Year	Past due accounts & Items in Litigation
a) Trade Receivables	3,693,774	3,311,631	31,880	144,531	149,101	56,631	-
b) Other Receivables	2,710,523	2,710,523	-	-	-	-	-
Net Receivables	6,404,297						

2) Accounts Receivable Description

Type of Receivables	Nature/Description	Collection Period
a) Trade Receivables	Sale of residential units/lots	maximum of 10 years
b) Other Receivables	Advances to contractors/suppliers	1 to 2 years

3) Normal Operating Cycle: 3 to 15 years

EXHIBIT 8

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

	30-Sep-2014	31-Dec-2013
Current ratio	**3.34**	3.93
Quick ratio	**0.52**	0.62
Debt-to-equity ratio	**0.41**	0.33
Interest-bearing debt to total capitalization ratio	**0.01**	0.01
Asset-to-equity ratio	**1.41**	1.33
		30-Sep-2013
Interest rate coverage ratio	**455%**	336%
Net profit margin	**9.09%**	6.73%
Return on assets	**0.60%**	0.42%
Return on equity/investment	**0.82%**	0.53%
Return on equity/investment of owners	**0.84%**	0.54%

LIQUIDITY RATIOS measure the business' ability to pay short-term debt.

Current ratio - computed as current assets divided by current liabilities

Quick ratio - computed as cash, marketable securities, accounts receivable divided by current liabilitites

SOLVENCY RATIOS measure the business' ability to pay all debts, particularly long-term-debt.

Debt-to-equity ratio-computed as total liabilities divided by total equity.

Interest-bearing debt to total capitalization ratio-computed as interest-bearing debt divided by interest-bearing debt + stockholder's equity attributable to controlling interest.

ASSET-TO-EQUITY RATIOS measure financial leverage and long-term solvency.

It shows how much of the assets are owned by the company. It is computed as total assets divided by total equity.

INTEREST RATE COVERAGE RATIOS measure the business' ability to meet its interest payments.

It is computed as earnings before income tax and interest expense ("EBIT") divided by interest.

PROFITABILITY RATIOS

Net profit margin - computed as net profit divided by total revenues

Return on assets - net profit divided by average total assets

Return on investment - net profit divided by total stockholders' equity

Return on investment of equity owners - net profit attributable to owners of the parent divided by equity attributable to owners of the parent company