

COVER SHEET

Registration Number grid

S.E.C. Registration Number

Company Name grid: GLOBAL-ESTATE RESORTS INC

(Company's Full Name)

Business Address grid: 7th Floor Renaissance Towers Meralco Avenue Pasig City

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

Contact Person: LAILANI V. VILLANUEVA

Contact Person

Company Telephone Number: 576-3376

Company Telephone Number

Month: 12, Day: 31, calendar year

SEC Form 17-A FORM TYPE

Month: , Day: , annual meeting

Secondary License Type, If Applicable

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Dept. Requiring this Doc.

Amended Articles Number/ Section

Amended Articles Number/ Section

Total Amount of Borrowings: Domestic, Foreign

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

File Number

LCU

LCU

Document I.D.

Document I.D.

Cashier

Cashier

STAMPS

STAMPS

SEC Number: AS 094-004462

File Number: _____

GLOBAL-ESTATE RESORTS, INC.

(Company's Full Name)

6/F Renaissance Towers, Meralco Avenue
Pasig City

(Company's Address)

(632) 576-3376

(Telephone Number)

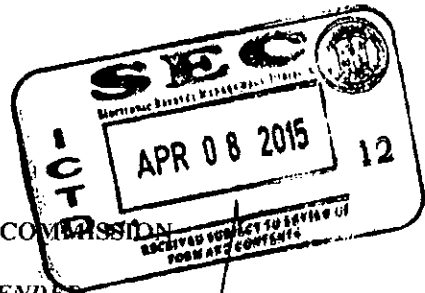
December 31, 2014

(Fiscal Year Ending)

SEC Form 17 - A Annual Report

(Form Type)

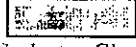
(Amendments – if applicable)



SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, AS AMENDED

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

1. For the fiscal year ended December 31, 2014
2. SEC Identification Number AS 094-004462 3. BIR Tax Identification No. 430-000-426-523
4. Exact name of issuer as specified in its charter GLOBAL-ESTATE RESORTS, INC.
5. Pasig City, Philippines
Province, Country or other jurisdiction of
incorporation or organization
6.  (SEC Use Only)
Industry Classification Code:
7. 6th Floor, Renaissance Towers, Meralco Avenue, Pasig City 1600
Address of principal office Postal Code
8. (632) -576-3376
Issuer's telephone number, including area code
9. N/A
Former name, former address, and former fiscal year, if changed since last report.

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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	10,986,000,000
Outstanding debts (loans)	200,000,000

11. Are any or all of these securities listed on a Stock Exchange.

Yes [X] No []

Name of Stock Exchange: Philippine Stock Exchange

Class of securities listed: Common Stocks

10,986,000,000 common shares have been listed with the Philippines Stock Exchange as of December 31, 2014.

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes No

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

Yes No

13. Aggregate market value of the voting stock held by non-affiliates of the registrant:

P 3,003,890,000 (as of December 31, 2014) based on the closing price of Php1.70 per share

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

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

Yes No Not Applicable

DOCUMENTS INCORPORATED BY REFERENCE

15. Briefly describe documents incorporated by reference and identify the part of SEC Form 17-A into which the document is incorporated:

2014 Audited Consolidated Financial Statements (incorporated as reference for Item 7 of SEC Form 17-A)

TABLE OF CONTENTS

	<u>Page No.</u>
PART I – BUSINESS AND GENERAL INFORMATION	
Item 1 Business	4
Item 2 Properties	15
Item 3 Legal Proceedings	17
Item 4 Submission of Matters to a Vote of Security Holders	17
PART II – OPERATIONAL AND FINANCIAL INFORMATION	
Item 5 Market for Issuer’s Common Equity and Related Stockholders’ Matters	18
Item 6 Management’s Discussion and Analysis Or Plan of Operation	22
Item 7 Financial Statements	31
Item 8 Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	31
PART III – CONTROL AND COMPENSATION INFORMATION	
Item 9 Directors and Executive Officers of the Issuer	32
Item 10 Executive Compensation	40
Item 11 Security Ownership of Certain Beneficial Owners and Management	42
Item 12 Certain Relationships and Related Transactions	45
PART IV – CORPORATE GOVERNANCE	
Item 13 Corporate Governance	45
PART V - EXHIBITS AND SCHEDULES	
Item 14 Exhibits and Reports on SEC Form 17-C	45
SIGNATURES	48

PART I – BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

Business Development

Form and Date of Organization

Global-Estate Resorts, Inc. (“GERI” or the “Company”) formerly Fil-Estate Land, Inc. was incorporated on May 18, 1994 to consolidate the real estate interests and development activities of the Fil-Estate Group of Companies. The Company was also tasked to engage in land acquisitions and to maintain an inventory of raw land for future development by the Company and its subsidiaries. The Company went public in November 1995 when its common shares were listed in the Philippine Stock Exchange (PSE).

GERI is one of the leading property development companies in the Philippines and has operated through predecessor companies since 1981. The Company engages primarily in the development of residential subdivisions, residential and golf communities, integrated tourism and leisure estates, and mixed-use townships.

Significant subsidiaries and associates of GERI

Fil-Estate Properties, Inc. (“FEPI”), was incorporated and organized under the laws of the Philippines on February 13, 1990. FEPI is engaged in the development and sale of residential subdivisions and commercial lots, condominium buildings and sale of golf and resort shares.

Fil-Estate Golf and Development, Inc. (“FEGDI”), was registered with the Securities and Exchange Commission (SEC) on March 6, 1990 to engage primarily in golf and leisure development. Among the projects undertaken by FEGDI are The Manila Southwoods Golf Course in Carmona, Cavite, and Forest Hills Golf Course in Antipolo City.

Fil-Estate Urban Development Corporation (“FEUDC”) was incorporated and organized under the laws of the Philippines on March 6, 2000. It is presently engaged in the operation of hotels in Fairways and Bluewater, Newcoast Boracay. FEUDC’s primary purpose is to acquire by purchase, lease, donation, or otherwise or to own, use, improve, develop, subdivide, sell, exchange, lease, hold for investment or otherwise, real estate of all kinds, including building, houses, apartments and other structures and to construct, improve, manage or otherwise dispose of buildings, condominiums and other structures of whatever kinds, together with their appurtenances; and to perform all and everything necessary and proper for the attainment of or in furtherance of this purpose, either alone or with other corporations or individuals. In 2011, FEUDC amended its Articles of Incorporation to include, as part of its primary purpose, operation of buildings,

condominiums and other structures such as hotels, including but not limited to the operation of dining, function, and lodging facilities. Its development projects include townhouses and hotels.

Novo Sierra Holdings Corporation (“Novo Sierra”) was incorporated and organized under the laws of the Philippines on March 4, 2010 as a holding company.

Twin Lakes Corporation (“Twin Lakes”) was incorporated and organized under the laws of the Philippines on March 2, 2011. It is engaged in the development of Twin Lakes, an integrated tourism estate development in Laurel, Batangas. Twin Lakes primary purpose is to acquire by purchase, lease, donation or otherwise and to own, use, improve, develop and hold for investment or otherwise, real estate of all kinds, and to construct, improve, manage or otherwise deal in or dispose lots, buildings, house and lots, as well as condominium units, townhouses, shopping malls, commercial centers, retirement communities, schools and dormitories, mixed-use property projects and other structures of whatever kind and description, together with any and all of their appurtenances, with the end in view of building and establishing new communities, towns, cities and urban centers.

Megaworld Global-Estate, Inc. (“MGEI”) was incorporated and organized under the laws of the Philippines on March 14, 2011. MGEI primary purpose is to market, acquire, hold, operate, dispose of by purchase, sale, exchange, mortgage, barter, lease or in any other manner, conditionally or absolutely, real estate and/or improvements thereon or other properties for residential, commercial or recreational purposes, or any interest therein, and to own, hold, improve, develop and manage any real estate, golf course, buildings, structures or other properties or interest therein so acquired, as well as erect or cause to be erected on any real estate or other properties, held or occupied by the corporation buildings, plants, factories, recreation facilities, or other similar structures with their appurtenances. It acts as the marketing arm of the Company and its subsidiaries.

Oceanfront Properties, Inc. (“OPI”) was incorporated on October 12, 2010 and started commercial operations on August 9, 2012. OPI is engaged in the development of land in Boracay Newcoast. OPI was incorporated primarily to own, use, improve, develop, subdivide, sell, exchange, lease and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartments and other structures.

Southwoods Mall, Inc. was incorporated with the Securities and Exchange Commission on July 18, 2013. Southwoods Mall Inc.’s primary purpose is to own, acquire, develop, manage, and operate, sell, mortgage, lease, rent, build, or improve malls, shopping center, or other similar structures; to engage in, be licensed to operate, or to license others to operate, any and all phases of the malls, shopping centers and related businesses; to own, maintain, operate, manage, provide, buy, sell, mortgage, lease, rent, build, or improve, either in connection with any mall or shopping center or related thereto, restaurants, cinemas, supermarkets, museums, other places of amusement or entertainment, parking facilities, and any and all other types or kinds of establishments for the sale or exchange

or goods, services, or other objects of commerce or trade; to own and license others to use trade names, trademarks, service marks, patents, relating to mall or shopping center operations or otherwise; to collect rents, license fees, royalties, inspection fees, advertisement fees, charges and other fees, in connection with mall or shopping center operations; and without limitation to do and to perform other acts or engage in other activities which in connection with the development, management, and operation of a mall or shopping center, except management of funds, portfolio, securities, and other similar assets of the managed entities.

Global Homes and Communities, Inc. was incorporated with the Securities and Exchange Commission on March 12, 2014. The primary purpose of its registration is to acquire by purchase, lease, donation or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise, real estate of all kinds, and to construct, improve, manage or otherwise deal in or dispose of lots, buildings, houses and lots, as well as condominium units, townhouses, shopping malls, commercial centers, retirement communities, schools and dormitories, mixed-use property projects and other structures of whatever kind and description, together with any and all appurtenances, with the end in view of building and establishing new communities, towns, cities and urban centers;

Boracay Newcoast Hotel Group, Inc. was incorporated with the Securities and Exchange Commission on July 17, 2012. The primary purpose of its registration is to acquire, own, lease, improve, develop, encumber, exchange, dispose of, hold for investment, operate and manage hotels, apartments, inns and other accommodation and lodging facilities, resorts, golf courses, amusement parks, theme parks, leisure and entertainment centers, private clubs, convention centers, sports and recreational centers, restaurants, shops, and other tourism facilities and enterprises such as but not limited to travel and tour service facilities, tourist shuttle services, dive shops, and health and wellness facilities, and other allied business necessary or connected therewith. In addition, to operate, manage, and/or maintain any and all services and facilities incident or necessary thereto, including the operation of and maintenance of warehouses, gyms, barber shops, stores, travel bureaus, beauty shops, turkish baths, spas, swimming pools, tennis courts, night clubs, cafes as well as other dining and/or recreational facilities, and all other business appurtenant thereto, allied therewith or complimentary thereto, either alone or in conjunction with others.

Nasugbu Properties, Inc. was registered with the Securities and Exchange Commission on February 10, 2005. The primary purpose of its registration is to acquire by purchase, lease, donation or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise, real-estate of all kinds, whether improve, manage or otherwise dispose of buildings, houses, apartments, and other structures of whatever kind, together with their appurtenances.

GERI also owns 20% of the equity of four (4) marketing companies namely Fil-Estate Realty Corporation ("FERC"), Fil-Estate Network, Inc. ("FENI"), Fil-Estate Sales, Inc.

("FESI") and Fil-Estate Realty Sales Associates, Inc. ("FERSAI") which marketed the old projects of GERI prior to the formation of MGEI.

Bankruptcy, Receivership or Similar Proceedings

None for any of the companies above.

Material Reclassification, Merger, Consolidation or Purchase or Sale of a Significant Amount of Assets (not ordinary)

In December 2014, FEPI sold its forty percent (40%) stake in Boracay Newcoast Hotel Group, Inc. (BNHGI) in favor of Fortune Pearl Leisure and Recreation, Inc. As of 31 December 2014, FEPI is the registered owner of 963,633,744 shares of BNHGI while Fortune is the registered owner of 642,422,501 shares of BNHGI, which represent 60% and 40% of the outstanding capital stock of BNHGI, respectively.

Products

The Company has a diversified real estate development portfolio , including (i) integrated tourism estates , (ii) residential subdivision lots, (iii) residential and golf communities and, (iv) mixed-use townships.

Percentage of sales or revenues and net income contributed by foreign sales

The sales to the foreign market accounted for 13% of the consolidated real estate sales for the year 2014.

Distribution Methods of Products

The Company's products are distributed to a wide range of clients primarily through its marketing subsidiary, Megaworld Global Estate, Inc.

Suppliers

The Company has a broad base of suppliers. The Company is not dependent on one or a limited number of suppliers.

Customers

GERI has a broad market base that consists of end-users and investors, both from the local and foreign markets.

The Company caters to all segments of the real estate market for its developments. Residential lots and affordable housing units are focused on the B market. The Company targets the A and B markets with special niche products such as integrated tourism

estates, residential, commercial and leisure developments and condominium units. In line with the Company's focus on integrated tourism estates, sales to the latter segments are expected to provide the biggest source of revenues for the Company.

Competition

The real estate development business in the Philippines remains highly competitive. Significant competitors include Ayala Land, Inc., Robinsons Land, SM Development Corporation, Filinvest, Vista Land, Landco and Sta. Lucia Realty. The Company competes with other developers in entering into joint venture arrangement with strategic partners, locate and acquire highly marketable raw lands for development located in Metro Manila and in provinces.

The Company aims to be the leading developer of integrated tourism estates in the Philippines. The Company's tourism estate projects are strategically located in Boracay and Laurel, Batangas and feature strategic master-planned communities integrated with resort amenities.

The Company believes that its land bank, its real estate development experience, its innovative real estate offerings and the solid financial backing of its parent, Megaworld Corporation, are its competitive advantages. Its ownership of approximately 15% of the Boracay Island, the number one tourist destination in the Philippines, together with its prime land inventory comprising about 1,200 hectares and 600 hectares respectively in Laurel and Nasugbu, Batangas gives it a lead over its competitors and has enabled the Company to be a pioneer in master-planned integrated tourism developments.

Transactions with and/or dependence on related parties

The Company and its subsidiaries, in their regular conduct of business, have entered into transactions with associates and related parties including investments in and advances granted to or obtained from subsidiaries, associates and other related parties for purposes of working capital requirements. For more information, see Note 21 to the Audited Financial Statements.

Amount spent on research and development activities and its percentage to revenues

The Company incurs minimal amounts for development research activities which do not amount to a significant percentage of revenues.

Intellectual Property

The Company believes that its operations and that of its subsidiaries are not dependent on any trademark, patent, copyright, license, franchise or royalty agreement. Nonetheless, the Company has filed with the Intellectual Property Office separate applications to register and protect the trademarks for its corporate names "Global-Estate Resorts, Inc.,"

“Twin Lakes,” “Harbortown,” and project name “Boracay Newcoast,” and their respective logos/devices.

Government Approvals / Regulations

The Company secures various government approvals such as the ECC, development permits, license to sell, etc. as part of the normal course of its business.

Development Permit and License to Sell

Presidential Decree No. 957, as amended, requires landowners / developers to submit a registration statement and subdivision / condominium plan to the Housing and Land Use Regulatory Board (“HLURB”). Upon submission of the plan, the HLURB issues a development permit authorizing the development of the land, and upon filing of a performance bond as may be determined by the HLURB, the latter issues a License to Sell and a Certificate of Registration to the owner / developer.

Agrarian Reform Law

The Comprehensive Agrarian Reform Law covers: (a) alienable and disposable lands of the public domain devoted to or suitable for agriculture, (b) land owned by the Government devoted to or suitable for agriculture. No person may own or retain, directly or indirectly, any public or private agricultural land, in excess of five (5) hectares. A limit of three (3) hectares may be awarded to each child of the landowners, subject to certain qualifications. The law allows the conversion of agricultural lands to non-agricultural use when the land ceases to be economically feasible and sound for agricultural purposes. Furthermore, the Department of Agrarian Reform Administrative Order No. 01 s. 1990 provides that any such classification or re-classification made after June 15, 1988 shall be subject to Department of Agrarian Reform (“DAR”) approval.

Environmental Compliance Certificate

As a general rule, developers of residential subdivisions have to submit project descriptions to regional offices of the Department of Environment and Natural Resources (“DENR”). Such descriptions set out the background of the proposed project and identify any significant environmental risk and possible measures to mitigate such environmental risks. In exceptional cases of environmentally critical projects (e.g., golf courses, beach resorts, developments adjacent to watershed areas, etc.), a detailed Environmental Impact Assessment may be required and the developer will be required to obtain Environmental Compliance Certificate (“ECC”) from the DENR. Compliance with the terms and conditions of the ECC will be monitored by the appropriate DENR regional office and failure to comply may lead to penalties and sanctions being imposed, including fines and / or temporary cessation of project operation.

As a real estate developer, the Company is required to secure development permits and licenses to sell from the HLURB and land conversions from agricultural to non-agricultural use when applicable, from DAR and environmental compliance certificates from the DENR for environmentally critical projects.

In addition to compliance with said government regulations, the Company shares in the country's vision of attaining economic prosperity and stability through sustainable development. Recognizing its important role as a property developer in a growing nation, the Company pursues its mission of service - *sustainable property development* - by building communities dedicated to quality living, work and recreation, while protecting and enhancing the environment.

Effect of Existing and Probable Government Regulations

Republic Act No. 7279 requires developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least 20% of the total subdivision area or total subdivision project cost, at the option of the developer; within the same or adjacent regions, whenever feasible, and in accordance with the standards set by the HLURB.

Tax Regulations

On May 24, 2005, the President of the Philippines signed into law Republic Act No. 9337 (RA 9337), which, effective November 1, 2005, introduced the following changes, among others:

- a. Increase in the corporate income tax rate from 32% to 35% with a reduction thereof to 30% beginning January 1, 2009;
- b. Grant of authority to the Philippine President to increase the 10% value added tax (VAT) rate to 12%, subject to compliance with certain economic conditions. The 12% VAT took effect on February 1, 2006; and
- c. Revenue Regulations No. 16-2011 increasing the amount of threshold amounts for sale of residential lot, sale of house and lot effective January 01, 2012. Sale of residential lots with gross selling price of P1,919,500 or less, and residential house and lots with gross selling price of P3,199,200 or less, are not subject to Value Added Tax (VAT)

The Maceda Law

The Maceda Law applies to all transactions or contracts involving the sale or financing of real estate on installment payments (including residential condominium units but excluding industrial and commercial lots). Under the provisions of the law, where a buyer of real estate has paid at least two years of installments, the buyer is entitled to the following rights in case he/she defaults in the payment of succeeding installments:

- a. To pay, without additional interest, the unpaid installments due within the total grace period earned by him, which is fixed at the rate of one (1) month grace period for every one (1) year of installment payments made. However, the buyer may exercise this right only once in every five (5) years during the term of the contract and its extensions, if any.
- b. If the contract is cancelled, the seller shall refund to the buyer the cash surrender value of the payments on the property equivalent to 50% of the total payments made, and in cases where five (5) years installments have been paid, an additional 5% every year (but with a total not to exceed 90% of the total payments).

Where a buyer has paid less than two years of installments, the buyer is entitled to pay the outstanding amount due without interest within a grace period of sixty (60) days from the date the installments became due.

The Company accords buyers their rights under the law and in certain cases, made appropriate refunds to some buyers.

Zoning and Land Use

The Department of Agrarian Reform (DAR) has issued regulations to effect the provisions of the Agrarian Reform Law in the Philippines. Under the law, all land classified for agricultural purposes as of or after June 1, 1988 cannot be converted to non-agricultural use without the prior approval of the DAR.

Land use may also be limited by the zoning ordinances of Local Government Units. Lands may be classified as commercial, industrial, residential or agricultural. While a procedure for change of allowed land use is available, this process maybe lengthy and cumbersome.

The Company diligently adheres to the provision of the agrarian reform law and local ordinances in cases where a certain project requires the conversion of the land use.

Environmental Laws

Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an Environmental Compliance Certificate (ECC) prior to commencement of development. The Department of Environment and Natural Resources (DENR) through its regional offices or through the Environmental Management Bureau (EMB), determines whether a project is environmentally critical or located in an environmentally critical area. As a requisite for the issuance of an ECC, an environmentally critical project is required to submit an Environmental Impact Statement (EIS) to the EMB while a project in an environmentally critical area are generally required to submit an Initial Environmental Examination (IEE) to the proper DENR regional office.

GERI maintains that it has complied with all applicable Philippine environmental laws and regulations. Compliance with such laws, in GERI's opinion, is not expected to have a material effect on GERI's capital expenditures, earnings or competitive position in the property market.

Employees

As of December 31, 2014, GERI group has a total of 509 employees, divided into:

Top Management	-	8
Middle Management	-	62
Rank and File	-	439

The Company expects to further increase its number of employees in the next 12 months in accordance with operational requirements.

The employees are not subject to any collective bargaining agreements. There has been no employees union since the start of Company's operations.

In addition to basic salary and 13th month pay, other supplemental benefits provided by GERI to its employees include: retirement benefits as mandated by law, vacation and sick leave benefits, rice subsidy, and HMO health care coverage.

Risk Factors Relating to the Company

Highly Competitive Business Environment

The Company faces increased competition from other developers who undertake residential subdivisions and vertical residential, commercial and office projects, particularly in key cities of the Philippines where several of the Company's present and future projects are located.

Notwithstanding increased competition in the industry, GERI intends to enhance its position as one of the leading property developers of integrated tourism estates in the Philippines. The track record of the Company and the Megaworld group and the Company's strategic land bank are perceived to be major advantages against this anticipated growth in competition.

Demand for Real Estate Project Developments Related to Leisure and Recreation

The Company engages, among others, in the development of integrated tourism and leisure estates. Demand for such projects is perceived to be significantly affected by any major natural calamity or adverse change in the economic and political conditions of the country.

The Company engages in the development of mixed-use townships in different market segments and geographic areas in order to diversify its real estate portfolio.

Limitations on Land Acquisition

As other developers race to acquire choice locations, it may become more difficult to locate parcels of suitable size in location and at prices acceptable to the Company that will enhance its present land bank. In this regard, the Company continues to explore joint ventures as an alternative to building its land bank and identifying properties that can be developed under project agreements with landowners.

Legal Issues or Disputes on Projects

The implementation of projects entered into by the Company may be affected by any legal issues generally arising from the ownership of the real estate properties. Certain properties presently being developed or proposed for development in the immediate term are currently the subject of legal proceedings whose resolution is still indeterminate.

The Company is endeavoring to resolve such legal issues at the shortest time possible. Nevertheless, these disputed projects are not expected to negatively impact the Company's business or its financial condition.

Government Approvals, Licenses and Permits

The implementation of projects require various government permits, approval and clearances from various municipal, city, regional and national government authorities and offices, such as, among others, the Development Permit, Certificate of Registration, License to Sell and in certain instances, the Environment Compliance Certificate. Accordingly, any delays in obtaining such government permits, approvals and clearances may affect the Company's projects.

The Company is taking every effort to ensure that it will comply with all the requirements in a timely and orderly manner in securing the approval, permits and licenses. It intends to secure the necessary documentation within a reasonable period of time.

Political and Economic Factors

In general, the profitability of the Company depends on the overall demand for Company's products which in turn is affected by political and economic factors. Any political instability in the future may have a negative effect on the viability of real estate companies. Economic factors such as substantial increases in interest and financing costs

may dampen the overall demand for Company's products in the future, thus affecting the Company's profitability.

Credit Risk

Generally, the Group's credit risk is attributable to trade receivables, advances to related party and other financial assets. The Group maintains defined credit policies and continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. We don't transfer title or turnover without full payment. The Group's policy is to deal only with creditworthy counterparties. In addition, for a significant proportion of sales, advance payments are received to mitigate credit risk.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the consolidated statements of financial position.

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 arising from day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week, as well as on the basis of a rolling 30-day projection.

Long-term needs for a six-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 is 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.

Interest Rate Risk

The Group's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates.

The Group follows prudent policies in managing its exposures to interest rate fluctuation, and constantly monitors its exposure to fluctuation in interest rates to estimate the impact of interest rate movements on its interest expense.

Foreign Exchange Risk

Most of the Group's transactions are carried out in Philippine pesos, its functional currency. Exposure to currency exchange rates arise mainly from the Group's U.S. dollar-denominated cash and cash equivalents which have been used to fund new projects.

In Management's assessment the foreign currency risks related to these U.S dollar-denominated cash and cash equivalents are not material.

As of December 31, 2014, the Group has no outstanding foreign denominated loans.

ITEM 2. PROPERTIES

The Company has a landbank of about 2,124 hectares, which is owned by GERI and are valued at a cost of Php7.22 billion.

These land bank held for future development are strategically located in various parts of the country, but a large portion is located in Sta. Barbara in Iloilo, Boracay, Laurel and Nasugbu in Batangas, and Southwoods, Laguna.

The total land area under joint venture is subject to various joint venture agreements with different landowner partners.

The inventory portfolio of the Company consists mainly of inventory also strategically located in various parts of the country but mainly in Iloilo, Boracay, Nasugbu and Laurel, Batangas, Laguna and Las Piñas. Real estate and golf club and resort shares for sale and land held for future development are valued at the lower of cost or net realizable value in conformity with PAS 2 "Inventories". Cost includes the acquisition cost of the land plus all costs directly attributable to the acquisition for projects where the Company is the landowner, and includes actual development cost incurred up to balance sheet date for projects where the Company is the developer. Net realizable value is the selling price in the ordinary course of business less cost to complete and to market. A valuation allowance is provided for real estate and golf club and resort shares for sale and land held for future development when the net realizable values of the properties are less than the carrying costs.

The Company has adequate landbank for its development requirements. It is, however, open to acquisitions of land as project expansion or in strategic growth areas. Funding for these acquisitions will be internally-generated. The Company has real estate inventories in its various developments including the following:

PROJECT NAME	LOCATION	LIMITATIONS ON OWNERSHIP
8 Sto. Domingo Place	Quezon City	Joint Venture
Caliraya Springs	Cavinti, Laguna	Joint Venture
Cathedral Heights	Quezon City	Joint Venture
Capitol Plaza	Quezon City	Co-development
Central Park Place	Mandaluyong City	Joint Venture

Fairways & Bluewaters	Boracay, Aklan	None
Forest Hills	Antipolo City	Joint Venture
Goldridge Estate	Guiguinto, Bulacan	Joint Venture
Holiday Homes	Gen. Trias, Cavite	Joint Venture
Magnificat Executive Village	Lipa, Batangas	Joint Venture
Mango Orchard Plantation	Naic, Cavite	Joint Venture
Manila Southwoods	Biñan, Laguna	Joint Venture
Monte Cielo De Naga	Naga City	Joint Venture
Monte Cielo De Penafrancia	Naga City	Joint Venture
Mountain Meadows	Cagayan De Oro	Joint Venture
Newcoast Village	Malay, Aklan	None
Newcoast Shophouse	Malay, Aklan	Joint Venture
Newcoast Boutique Hotel	Malay, Aklan	Joint Venture
Newport Hills	Lian, Batangas	Joint Venture
Nasugbu Harbour Town	Nasugbu, Batangas	Joint Venture
Northpointe	Baguio City	Joint Venture
Pahara at Southwoods ¹	GMA, Cavite	Joint Venture
Palacio Real	Calamba, Laguna	Joint Venture
Palmridge Point	Talisay, Batangas	Joint Venture
Parco Bello	Muntinlupa City	Joint Venture
Alabang West	Las Piñas City	Joint Venture
Plaridel Heights	Plaridel, Bulacan	Joint Venture
Puerto Del Mar	Lucena City	Joint Venture
Residencia Lipa	Lipa, Batangas	Joint Venture
Renaissance 5000	Ortigas Center, Pasig City	Joint Venture
Riverina	San Pablo City	Joint Venture
Savoy Hotel Boracay	Malay, Aklan	None
Sherwood Hills	Carmona, Cavite	Joint Venture
Southwoods Business Park	Southwoods City, Biñan Laguna	None
Southwoods Peak	Carmona, Cavite	Joint Venture
Sta. Barbara Heights Residential Estate	Sta. Barbara, Iloilo	Joint Venture
Tierra Vista	Lipa, Batangas	Joint Venture
Windsor Heights	Tagaytay	Joint Venture
Vineyard Residences	Laurel, Batangas	None

¹ Launched March 2014.

Domaine Le Jardin	Laurel, Batangas	None
Villa Maria ²	Fairways & Bluewater, Boracay	None
Villa Margarita ³	Fairways & Bluewater, Boracay	None
Villa Michaela ⁴	Fairways & Bluewater, Boracay	None
Villa Lucia ⁵	Fairways & Bluewater, Boracay	None
Villa Catalina ⁶	Fairways & Bluewater, Boracay	None
Villa Vittoria ⁷	Fairways & Bluewater, Boracay	None

ITEM 3. LEGAL PROCEEDINGS

The Company and its subsidiaries are parties to certain lawsuits or claims arising from the ordinary course of business. The management and legal counsel believe that the eventual liabilities under these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements, and thus, no provision has been made for these contingent liabilities.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted during the fourth quarter of the fiscal year covered by this report to a vote of security holders, through the solicitation of proxies or otherwise.

² Use for hotel operation.

³ Use for hotel operation.

⁴ Use for hotel operation.

⁵ Use for hotel operation.

⁶ Use for hotel operation.

⁷ Use for hotel operation.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDERS' MATTERS

Market price information

The common shares of the Company are traded on the Philippine Stock Exchange ("PSE") under the symbol of GERI.

	Philippine Stock Exchange Average Closing Price per Share (₱)	
	High	Low
<u>2015</u>		
First Quarter	1.83	1.47
<u>2014</u>		
First Quarter	2.12	1.22
Second Quarter	2.25	1.78
Third Quarter	2.18	1.91
Fourth Quarter	2.06	1.59
<u>2013</u>		
First Quarter	2.32	1.89
Second Quarter	2.76	1.70
Third Quarter	1.87	1.30
Fourth Quarter	1.53	1.31

The market capitalization of GERI as of 31 December 2014 based on the closing price at Php1.70 per share of GERI's shares at that date, was approximately Php18.676 billion.

Stockholders

GERI has a total of about 4,357 common shareholders as of December 31, 2014.

TOP 20 STOCKHOLDERS AS OF DECEMBER 31, 2014

<u>No.</u>	<u>STOCKHOLDER</u>	<u>NO. OF SHARES</u>	<u>% OF OWNERSHIP</u>
1	MEGAWORLD CORPORATION	8,832,609,623	80.399%
2	PCD NOMINEE CORPORATION (FILIPINO)	1,184,598,777	10.783%
3	FIL-ESTATE MANAGEMENT INC.	451,910,946 ⁸	4.114%
4	PCD NOMINEE CORPORATION (FOREIGN)	406,740,049	3.702%
5	CAP PENSION TRUST FUND	9,263,280	0.084%
6	GREENFIELD DEVELOPMENT CORPORATION	8,640,000	0.079%
7	JOHN T. LAO	7,600,100	0.069%
8	LUCIO W. YAN	5,755,000	0.052%
9	ROMEO G. ROXAS	3,716,000	0.034%
10	AVESCO MARKETING	3,512,106	0.032%
11	RBL FISHING CORPORATION	2,924,998	0.027%
12	WILBUR CHAN	2,611,825	0.024%
13	GILMORE PROPERTY MARKETING ASSOCIATES, INC.	1,983,000	0.018%
14	FEDERAL HOMES, INC.	1,939,860	0.018%
15	PHILIPPINE VETERANS BANK FAO COMPREHENSIVE ANNUITY PLANS AND PENSION CORP. TA#0245	1,837,428	0.017%
16	FRITZ L. DY	1,813,500	0.017%
17	DYNALAND PROPERTIES & DEVELOPERS, INC.	1,700,001	0.015%
18	ROBERT JOHN L. SOBREPENA	1,617,485	0.015%
19	MAXIMINO S. UY &/OR LIM HUE HUA	1,478,400	0.013%
20	SALLY C. ONG PAC	1,345,500	0.012%
	TOTAL	10,935,597,878	99.524%

⁸ Data refers to direct shares only. Indirect shares totaling 279,675,000 (2.546%) are not included.

Dividends

Payment of dividends, either in the form of cash or stock, will depend upon the Company's earnings, cash flow and financial condition, among other factors. The Company may declare dividends only out of its unrestricted retained earnings. These represent the net accumulated earnings of the Company with its capital unimpaired, which are not appropriated for any other purpose. The Company may pay dividends in cash, by the distribution of property, or by the issue of shares of stock. Dividends paid in cash are subject to the approval by the Board of Directors. Dividends paid in the form of additional shares are subject to approval by both the Board of Directors and at least two-thirds of the outstanding capital stock of the shareholders at a shareholders' meeting called for such purpose.

The Corporation Code prohibits stock corporations from retaining surplus profits in excess of 100% of their paid-in capital stock, except when justified by definite corporate expansion projects or programs approved by the Board of Directors, or when the corporation is prohibited under any loan agreement with any financial institution or creditor from declaring dividends without its consent, and such consent has not yet been secured, or when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation.

The retained earnings account as of December 31, 2014 amounting to Php5.16 billion in December 2014 and Php4.36 billion in December 2013 is restricted from being declared as dividends to the extent of the undistributed net earnings of subsidiaries and associates. No declaration of cash dividends was made in the last three (3) years.

Recent Sales of Unregistered or Exempt Securities (including recent issuance of securities constituting an exempt transaction)

- On September 2011, Lim Asia Multi-Strategy Fund, Inc. (LAMSFI) a holder of the Company's warrants, converted six million (6,000,000) warrants into six million (6,000,000) common shares of the Company at an exercise price of P1.00 per share.

On 18 May 2012, LAMSFI converted another sixty-two million (62,000,000) warrants into sixty-two million (62,000,000) common shares of the Company at an exercise price of P1.00 per share.

On July 30, 2012, Lim Asia Alternative Real Estate Fund SPC (LAAREF), also a holder of GERI warrants, converted sixty-eight million (68,000,000) warrants into sixty-eight million (68,000,000) common shares of the Company at an exercise price of P1.00 per share.

The LAMSF1 and LAAREF warrants comprise the one hundred thirty-six million (136,000,000) warrants that were issued by the Company for which an exemptive relief was sought. The Commission issued a Resolution dated February 16, 2007 confirming that issuance of the one hundred thirty-six (136) million warrants is exempt from registration requirements of the Securities Regulation Code.

- On 23 September 2011, the Board of Directors of Company approved the increase in authorized capital stock of the Company from Ten Billion Pesos (Php10,000,000,000.00) divided into Ten Billion (10,000,000,000) common shares with a par value of One Peso (Php1.00) each to Twenty Billion Pesos (Php20,000,000,000.00) divided into Twenty Billion (20,000,000,000) common shares with a par value of One Peso (Php1.00) each. The shareholders ratified the increase on 8 November 2011.

On 21 June 2013, the Board of Directors of the Company approved the subscription by Megaworld Corporation to Two Billion Five Hundred Million (2,500,000,000) shares of the increase in capital stock of the Company, at the price of Two Pesos and Twenty Six (Php2.26) per share for an aggregate subscription price of Five Billion Six Hundred Fifty Million Pesos (Php5,650,000,000.00).

The Company issued 2.5 billion fully-paid shares to Megaworld Corporation representing twenty-two and 756/100 percent (22.756%) of the outstanding capital stock of the Company.

The issuance to Megaworld Corporation is an exempt transaction under Sec. 10.1 (i). Nonetheless, the Company filed on 3 July 2013 a Notice of Exempt Transaction in connection with the issuance of shares to Megaworld Corporation, citing Sec. 10.1 (i) of SEC.

- On 23 September 2011, the Board of Directors of the Company approved an Executive Stock Option Plan which was ratified on 8 November 2011 by stockholders representing at least 2/3 of the outstanding capital stock of the Company.

Pursuant to the ESOP, on February 16, 2012, the Company granted the option to its key company directors and executives to subscribe to 100 million shares of the Company, at an exercise price of Php1.93 (1st Tranche). On the basis of the sale to less than twenty persons, A Notice of Exempt Transaction (SEC Form 10.1) was filed with the SEC on March 21, 2012.

On 18 February 2013, the Company granted another option to key company executives to subscribe to an additional 100 million common shares of the Company at an exercise price of Php1.69 (2nd tranche). On the basis of the sale to

less than twenty persons, A Notice of Exempt Transaction (SEC Form 10.1) was filed with the SEC on 21 March 2013.

On 7 March 2014, the Company granted another option to key company executives to subscribe to an additional 100 million common shares of the Company at an exercise price of Php1.50 (3rd tranche). On the basis of the sale to less than twenty persons, A Notice of Exempt Transaction (SEC Form 10.1) was filed with the SEC on March 18, 2014.

No underwriters were involved in the sales of the above unregistered or exempt securities.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Key Performance Indicators

LEVERAGE OR LONG-RANGE SOLVENCY RATIOS

	December 31, 2014	December 31, 2013
Debt to Total Assets	27%	24%
Equity to Total Assets	73%	76%
Debt to Equity	37%	31%

Debt to Total Assets

It shows the creditors' contribution to the total resources of the organization.

Equity to Total Assets

It shows the extent of owners' contribution to the total resources of the organization.

Debt to Equity

It relates the exposure of the creditors to that of the owners.

ACTIVITY RATIOS

	December 31, 2014	December 31, 2013
Assets Turnover	6%	3%
Return on Equity	3.8%	1.6%

Assets Turnover

It measures the level of capital investment relative to sales volume.

Return on Equity

It tests the productivity of the owners' investments.

PROFITABILITY RATIOS

	December 31, 2014	December 31, 2013
Earnings per Share	₱ 0.071	₱ 0.034

Earnings per Share (EPS)

It indicates the earnings for each of the common shares held.

Others

As of the year ended December 31, 2014, there are no material events and uncertainties known to management that would have an impact on the future operations such as:

- a. Known trends, demands, commitments, events or uncertainties that would have an impact on the Company;
- b. Material commitments for capital expenditures, the general purpose of such commitment and the expected sources of funds for such expenditures;
- c. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the net sales/revenues/income from continuing operations;
- d. Significant elements of income or loss that did not arise from the Company's continuing operations;
- e. Causes for any material changes from period to period in one or more line item of the Company's financial operations;
- f. Seasonal aspects that had a material effect on the financial condition or results of the operations;

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

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

Review for the year ended December 31, 2014

Results of Operations

For the year ended December 31, 2014 the Group's consolidated net income amounted to Php856.5 million (inclusive of Php377 million non-recurring gain), a 151% increase from December 31, 2013 net income of Php340.9 million. Without the non-recurring gain, its net income rose to Php480 million, a 41% increase year-on-year.

Consolidated total revenues amounted to Php3.36 billion. The bulk of revenues came from real estate sales, hotel operations and gain on deconsolidation of a subsidiary. Real estate sales came from the sale of residential subdivision lots amounting to Php2.05 billion. The Group's registered sales came from sale of lots in Newcoast Shophouse District, Boutique Hotel and The Village in Malay, Aklan, Sta. Barbara Heights in Iloilo City, Twin Lakes Domaine Le Jardin in Laurel, Batangas, Pahara at Manila Southwoods, Ecocentrum Business Park in Biñan, Laguna and Alabang West in Daang Hari, Las Piñas, and sale of condominium units in Newcoast Oceanway Residences and Savoy Hotel in Boracay.

Total cost and expenses amounted to Php2.35 billion, mainly from cost of real estate sales, cost of services, deferred gross profit on real estate sales and operating expenses resulting from aggressive marketing activities as well as other administrative and corporate overhead.

Financial Condition

The Group's financial position remained stable. Total Assets of Php34 billion as of December 31, 2014 compared to Php31 billion as of December 31, 2013 posted an increase of Php2.6 billion or 8%.

Cash and cash equivalents decreased by 33% from Php4.47 billion in December 2013 to Php3.01 billion as of December 31, 2014 due to payments made to contractors and suppliers for project development. Trade and other receivables increased by 60% mainly due to real estate sale of recognized sales for the period. Advances to related parties increased from Php929 million in December 2013 to Php1.01 billion in December 2014. The 16% increase is due to the advances made to BNHGI which is re-classified to associate. Real estate and resorts shares for sale increased by 18%, from Php9.2 billion as of December 31, 2013 to Php10.9 billion as of December 31, 2014, due to construction of various projects. Investment in associates increased by 105% due to deconsolidation of BNHGI. Investment properties increased by 6% due to construction of a building which is intended for lease.

Interest-bearing loan of Php200 million is a short-term interest bearing loan of one subsidiary. Trade and other payables increased by 29% mainly due to increase in payables to contractors and suppliers. Customer's deposit decreased from Php1.5 billion in December 31, 2013 to Php1.28 billion as of December 31, 2014, due to sales recognized for the year. Advances from related parties decreased by 8% due to payments made to related parties. Reserve for property development increased by 77% due to increase in accrual of development cost for the year. Deferred Income on real estate sales increased by 45% due to deferred gross profit from sales recognized for the year. Due to joint venture partners increased by 8% due to the share of JV partners in proceeds of sale. Deferred Tax Liability also increased from Php200.8 million in December 2013 to Php239.52 million in December 2014. The 19% increase is due to increase in taxable temporary difference. Retirement benefit obligation increased by 40% from Php41.5 million in December 2013 to Php58 million in December 2014 due to additional accrual of retirement obligation. Other non-current liabilities increased from Php63.9 million to Php143.3 million mainly due to accrual of interest on preferred shares.

Shareholders' Equity increased from Php23.6 billion to Php24.5 billion due to net income for the year.

**Material Changes in the year ended December 31, 2014 Financial Statements
(Increase/decrease of 5% or more versus December 31, 2013)
Financial Position**

- 33% decrease in Cash and cash equivalents due to payments made to contractors and suppliers for project development.
- 60% increase in Trade and other receivable mainly due to increase in real estate sale
- 16% increase in Advances to related parties due to advances made to BNHGI which is re-classified as associate
- 18% increase in Real estate and resort shares for sale due to additional construction costs of various projects
- 105% increase in Investment in Associates due to deconsolidation of a subsidiary
- 6% increase in Investment Property due to construction of a building which is intended for lease.
- 100% increase in Interest-bearing loan due to short-term interest bearing loan of one subsidiary
- 29% increase in Trade and other payables mainly due to increase in payables to contractors and suppliers
- 13% decrease in Customers' deposits due to sales recognized for the year
- 8% decrease in Advances from Related Party due to payments made to related parties
- 77% increase in Reserve for property development due to additional accrual of development cost

- 45% increase in Deferred income on real estate sales due to deferred gross profit from real estate sales recognized for the year
- 8% increase in Due to joint venture due to share of JV partner from proceeds of sales
- 19% increase in Deferred tax liabilities due to increase in taxable temporary difference
- 40% increase in Retirement benefit obligation due to accrual of retirement benefit
- 124% increase in Other non-current liability mainly due to accrual of interest on preferred shares

Results of Operations

- 139% increase in Sale of Real Estate Sales due to aggressive marketing.
- 27% Decrease in Rental Income due to some investment property that is no longer for lease and re-classified as inventory for sale.
- 9% decrease in Hotel Operations due to decrease in occupancy rate.
- 18% increase in Realized gross profit on prior years' real estate sales due to increase in % of completion of on-going projects.
- 25% increase in Service income due to increase in income from golf course maintenance
- 100% increase in Gain on deconsolidation of a subsidiary due to sale of 40% ownership interest of FEPI from BNHGI that resulted to lose of control and deconsolidation from the Group
- 43% increase in finance and other income due to increase in other income
- 136% increase in Cost of Real Estate Sales due to increase in real estate sales
- 195% increase in Deferred Gross Profit on Real Estate Sales mainly due to increase in real estate sales from projects that are still being developed
- 8% decrease in Cost of Hotel Operations mainly due to decrease in hotel revenue.
- 27% increase in Cost of Services mainly due to increase in service income.
- 41% increase in Operating expenses mainly due to increase in marketing and other administrative expenses.
- 64% increase in Equity share in net losses of associates due to increase in net loss of associates recognized for the year.
- 28% increase in Finance cost and other charges due to accrual of interest on preferred shares
- 38% increase in Income Tax expense due to increase in taxable income

Review for the year ended December 31, 2013

Results of Operations

For the year ended December 31, 2013 the Group consolidated net income amounted to Php340.9million.

Consolidated total revenues amounted to Php1.76 billion. The bulk of revenues came from real estate sales, realized profit on prior years' sales, hotel operations, rental and finance and other income. Real estate sales came from the sale of residential subdivision lots and townhouse amounting to Php906 million. The Group's registered sales came from sale of lots in Newcoast Shophouse District, Boutique Hotel and The Village in Malay, Aklan, Sta. Barbara Heights in Iloilo City, Twin Lakes Domaine Le Jardin in Laurel, Batangas and Cathedral Heights in Quezon City.

Total cost and expenses amounted to Php1.31 billion, mainly from cost of real estate sales, cost of services, cost of hotel operations and operating expenses resulting from aggressive marketing activities as well as other administrative and corporate overhead.

Financial Condition

The Group's financial position remained stable. Total Assets of Php31 billion as of December 31, 2013 compared to Php24.6 billion as of December 31, 2012 posted an increase of Php6.4 billion or 26% mainly due to subscription of Megaworld from the increase in authorized capital stock.

Cash and cash equivalents increased by 859% from Php0.47 billion in December 2012 to Php4.47 billion as of December 31, 2013 due to Subscription of Megaworld Corporation from the increase in authorized capital stock. Trade and other receivables increased by 32% mainly due to real estate sale of new projects. Other current and non-current assets increased by 8% mainly due to input tax and prepaid tax paid during the period. Real estate and resorts shares for sale increased by 18%, from Php7.8 billion as of December 31, 2012 to Php9.2 billion as of December 31, 2013, mainly due to additional construction costs attributable to on-going projects. Property Development Cost increased by 17% due to development of new projects. Investment properties decreased by 24% due to reclassification of accounts to Property and equipment. Property and equipment increased by 42% due to additional buildings used for hotel operations.

Customer's deposit increased from Php0.67 billion in December 31, 2012 to Php1.5 billion as of December 31, 2013, the 119% increase is due to increase in reservation sales for the year. Advances from related parties decreased by 51% due to payments made to related parties. Reserve for property development increased by 7% due to increase in accrual of development cost for the year. Deferred Income on real estate sales increased by 5% due to deferred gross profit from sales recognized for the year. Due to joint venture partners increased by 9% due to share of JV partner on proceeds of sale. Deferred

Tax Liability also increased from Php133.5 million in December 2012 to Php200.8 million in December 2013. The 50% increase is due to increase in taxable temporary difference. Retirement benefit obligation increased by 17% from Php 35.3 million in December 2012 to Php 41.5 million in December 2013 due to additional accrual of retirement obligation. Other non-current liabilities increased from Php 60.5 million to Php63.9 million due to accrual of interest on preferred shares.

Shareholders' Equity increased by 34% from Php17.6 billion to Php23.6 billion mainly due to subscription of Megaworld Corporation from the increase in authorized capital stock and net income recognized for the period.

Material Changes in the year December 2013 Financial Statements

(Increase/decrease of 5% or more versus December 31, 2012)

Financial Position

- 859% increase in Cash and cash equivalents due to Subscription of Megaworld Corporation from increase in authorized capital stock
- 32% increase in Trade and other receivable mainly due to increase in real estate sale
- 18% increase in Real estate and resort shares for sale due to additional construction costs attributable to on-going projects
- 8% increase in Other current and non-current assets mainly due to input tax and prepaid tax paid during the period.
- 17% increase in Property Development cost due to development cost of new projects
- 24% decrease in Investment Property mainly due reclassification of accounts to Property, Plant and Equipment.
- 42% increase in Property and equipment due to additional buildings used for hotel operations
- 119% increase in Customers' deposits due to increase in reservation sales
- 51% decrease in Advances from Related Party due to payments made to related parties
- 7% increase in Reserve for property development due to additional accrual of development cost
- 5% increase in Deferred income on real estate sales due to deferred gross profit from real estate sales recognized for the year
- 9% increase in Due to joint venture due to share of JV partner on proceeds of sales
- 50% increase in Deferred tax liabilities due to increase in temporary tax difference
- 17% increase in Retirement benefit obligation due to accrual of retirement benefit
- 6% increase in Other non-current liability mainly due to accrual of interest on preferred shares

- 34% increase in equity mainly due to subscription of Megaworld Corporation from the increase in Authorized capital stock

Results of Operations

- 32% increase in Sale of Real Estate Sales due to aggressive marketing and sales generated from new projects.
- 38% decrease in Realized gross profit on prior years' real estate sales due to majority of the deferred income from old projects were realized in 2012.
- 152% increase in Hotel Operations due to expansion of hotel operations and aggressive marketing.
- 434% increase in Maintenance income due to increase in income from golf course maintenance
- 19% decrease in finance and other income due to decrease in other income
- 39% increase in Cost of Real Estate Sales due to increase in real estate sales
- 27% decrease in Deferred Gross Profit on Real Estate Sales due to increase in % of completion of various projects
- 236% increase in Cost of Hotel Operations mainly due to increase in hotel revenue.
- 235% increase in Cost of Services mainly due to increase in maintenance income.
- 12% increase in Operating expenses mainly due to increase in marketing and other administrative expenses.
- 88% decrease in Equity share in net losses of associates due to lower net loss of associates recognized for the year.
- 107% Increase in Income Tax expense due to increase in taxable income

Review for the year ended December 31, 2012.

Results of Operations

For the year ended December 31, 2012 the Group consolidated net income amounted to Php264.4million.

Consolidated total revenues amounted to Php1.39 billion. The bulk of revenues came from real estate sales, realized profit on prior years' sales, hotel operations, rental and finance and other income. Real estate sales came from the sale of residential subdivision lots amounting to Php684.9 million. The Group's registered sales came from sale of lots in Newcoast Shophouse District and Boutique Hotel in Malay, Aklan, Sta. Barbara Heights in Iloilo City, and Twin Lakes Domaine-Le Jardin in Laurel, Batangas.

Total cost and expenses amounted to Php1.07 billion, mainly from cost of real estate sales and operating expenses resulting from aggressive marketing activities as well as other administrative and corporate overhead.

Financial Condition

The Group's financial position remained stable. Total Assets of Php24.6 billion as of December 31, 2012 compared to Php21.0 billion as of December 31, 2011 posted an increase of Php3.6 billion or 17%.

Cash and cash equivalents decreased by 53% from Php993 million in December 2011 to Php466 million as of December 31, 2012 as result of project development. Trade and other receivables increased by 16% mainly due to real estate sale of new projects. Other current and non-current assets increased by 50% due to input tax. Land for future development increased by 51%, mainly due to land acquisition and land investment of stockholders in Twin Lakes Corporation. Real estate and resorts shares for sale increased by 8%, from Php7.2 billion as of December 31, 2011 to Php7.8 billion as of December 31, 2012, mainly due to development of various projects. Investment properties increased by Php27.8 million due to project development. Property and equipment increased by Php163.6 million due to construction of additional buildings used for hotel operations.

Trade and other payables increased by 23% mainly due to payable to contractors and suppliers. Reserve for property development decreased by 14% due to increase in development of various projects. Advances from related parties increased by 46% due to additional advances. Redeemable preferred shares increased by 100% due to redeemable preferred shares issued to stockholders of Twin Lakes Corporation. Customer's deposit increased by 7% due to increase in reservation sales for the period. Deferred tax liability increased by 58% due to increase in taxable temporary difference. Retirement benefit obligation decreased by 20% due to decrease on accrual of retirement benefit. Other non-current liability decreased by 18% due to settlement of other liability.

Shareholders' Equity increased by 11% from Php15.9 billion to Php17.6 billion mainly due to increase in minority equity in Twin Lakes Corporation.

Material Changes in the year December 2012 Financial Statements

(Increase/decrease of 5% or more versus December 31, 2011)

Financial Position

- Cash and cash equivalents decreased by Php526.9 million (53%) to Php466.0 million from the end of December 2011 level of Php993 million as a result of project development.
- 16% increase in Trade and other receivable mainly due to increase in real estate sale
- 8% increase in Real estate for sale due to increase in project development
- 15% increase in Advances to related party mainly due to additional advances

- 50% increase on other current and non-current assets mainly due to input tax
- 51% increase in Land for future development due to land acquisition and land investment in one of the subsidiaries
- 8% increase in Investment Property mainly due to project development
- 33% increase in Property and equipment due to construction of additional buildings used for hotel operations
- 46% increase in Advances from Related Party due to additional advances
- 23% increase in Trade Payables mainly due to increase in payable to contractors and suppliers
- 7% increase in Customers' deposits due to increase in reservation sales for the period
- 14% decrease in Reserve for property development due to increase in development of various projects
- 100% increase in Redeemable preferred shares due to redeemable preferred shares issued to stockholders of Twin Lakes Corporation.
- 58% increase in Deferred tax liabilities due to increase in temporary tax difference
- 20% decrease in Retirement benefit obligation due to decrease in accrual of retirement benefit
- 18% decrease in Other non-current liability mainly due to settlement of other liability
- 11% increase in equity mainly due to increase in investment in Twin Lakes Corporation

ITEM 7. FINANCIAL STATEMENTS

The consolidated financial statements for the year ended December 31, 2014, December 31, 2013, and December 31, 2012 of the Company are incorporated herein duly signed by the external auditors.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

In compliance with SEC Memorandum Circular No. 8, Series of 2003, and the Company's Manual of Corporate Governance, which require that the Company's external auditor be rotated or the handling partner changed every five (5) years or earlier, the Company's Board of Directors approved, on June 30, 2011, the designation of Punongbayan and Araullo as new external auditor for the audit of the financial statements of the Company starting the year ending 30 September 2011. The handling partner then designated was Mr. Leonardo D. Cuaresma Jr. who is one of the Audit and Assurance partners of Punongbayan and Araullo.

For the year 2014, 2013 and 2012, the partner designated is Mr. Nelson J. Dinio who is one of the Audit and Assurance partners of Punongbayan and Araullo.

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to their satisfaction, would have caused the auditors to make reference thereto in their reports on the financial statements of the Company at its subsidiaries.

Information on Independent Accountant and Other Related Matters

For the audit of the registrant's financial statements and services that are normally provided by the external auditors in connection with statutory and regulatory filings for the calendar year report of 2014, 2013 and 2012, fee was approximately Php1.092 million, Php0.925 million and Php0.85 million respectively.

No other assurance and related services have been rendered by the external auditors to the registrant other than the items discussed above.

PART III – CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS

The table sets forth each member of the Company's Board:

Name	Age	Citizenship	Position
Andrew L. Tan	65	Filipino	Chairman & CEO
Lourdes T. Gutierrez-Alfonso	51	Filipino	Managing Director
Monica T. Salomon ⁹	46	Filipino	President
Ferdinand T. Santos	65	Filipino	Director
Wilbur L. Chan	55	Filipino	Director
Miguel B. Varela	75	Filipino	Independent Director
Garry V. De Guzman	47	Filipino	Director
Gerardo C. Garcia	73	Filipino	Independent Director
Kevin Andrew L. Tan	35	Filipino	Director
Alain A. Sebastian ¹⁰	40	Filipino	Director

⁹ Monica T. Salomon was elected as Director and President of GERI effective 01 March 2015.

¹⁰ Alain Sebastian was elected as member of the board on 26 June 2014 but subsequently resigned on 28 February 2015.

The table below sets forth GERI's executive officers in addition to its executive directors listed above:

Name	Age	Citizenship	Position
Lailani V. Villanueva	35	Filipino	Chief Finance Officer and Compliance Officer
Marie Emelyn Gertrudes C. Martinez	50	Filipino	SVP for Legal
Jennifer L. Romualdez	45	Filipino	FVP – Head of Operations
Karen B. Maderazo	37	Filipino	VP for Human Resources
Catherine D. Marcelo	40	Filipino	VP for Corporate Services
Dominic V. Isberto	40	Filipino	Corporate Secretary
Rolando D. Siatela	54	Filipino	Asst. Corporate Secretary

Board of Directors

ANDREW L. TAN, Filipino, 65 years old, was elected as Chairman of the Board and Chief Executive Officer of the Company on 12 January 2011. He is also the Chairman of the Board of Alliance Global Group, Inc. since 2006 and of Emperador Inc. since August 28, 2013. He has broad experience in the real estate, food and beverage, and quick service restaurants industries. Dr. Tan is concurrently the Chairman of the Board and President of Megaworld Corporation, Megaworld Land, Inc., Megaworld Globus Asia, Inc., Megaworld Newport Property Holdings, Inc., Mactan Oceanview Properties and Holdings, Inc., Richmonde Hotel Group International Limited, The Bar Beverage, Inc. and Yorkshire Holdings, Inc. He is also the Chairman of Alliance Global Group Cayman Islands, Inc., Empire East Land Holdings, Inc., Alliance Global Brands, Inc., Suntrust Properties, Inc., Adams Properties, Inc., Consolidated Distillers of the Far East, Inc., and Townsquare Development, Inc.. He sits in the boards of Megaworld Cayman Islands, Inc., Forbes Town Properties & Holdings, Inc., Gilmore Property Marketing Associates, Inc., Eastwood Cyber One Corporation, Megaworld Central Properties, Inc., Raffles & Company, Inc., Travellers International Hotel Group, Inc., The Andresons Group, Inc., Fairways & Bluewater Resort Golf & Country Club, Inc. and Twin Lakes Corporation He is also the Vice-Chairman and Treasurer of Golden Arches Development Corporation and Golden Arches Realty Corporation and a Director and Treasurer of Andresons Global, Inc. Dr. Tan graduated Magna Cum Laude from the University of the East with a degree of Bachelor of Science in Business Administration.

LOURDES T. GUTIERREZ-ALFONSO, 51 years old, was elected as Director of the Company on 30 June 2011. Effective 01 March 2015, she was appointed as the Company's Managing Director in a concurrent capacity to oversee the Company's business performance and lead in the formulation of overall strategic direction, plans, and

policies for the Company. She is currently the Chief Operating Officer of Megaworld Corporation. Ms. Gutierrez joined Megaworld in 1990. She is a Certified Public Accountant and is a member of Megaworld's Management Executive Committee. Ms. Gutierrez graduated Cum Laude from the Far Eastern University with the degree of Bachelor of Science major in Accounting. She is the Chairman of Megaworld's property management arm, First Oceanic Property Management, Inc. and Eastwood Cinema 2000, Inc. She is currently the Director and Vice Chairman of Suntrust Properties, Inc. also the director of Forbes Town Properties & Holdings, Inc., Megaworld Resort Estates, Inc., Megaworld Homes, Inc., Oceantown Properties, Inc., Palm Tree Holdings & Development Corporation, Eastwood Cyber One Corporation, Prestige Hotels & Resorts, Inc. and Lucky Chinatown Cinemas, Inc., Oceanfront Properties, Inc., Megaworld Global-Estate, Inc., Boracay Newcoast Hotel Group, Inc., Twin Lakes Corporation, Global Homes and Communities, Inc. She is a trustee and Corporate Secretary of Megaworld Foundation, Inc.

MONICA T. SALOMON, 46 years old, was elected Director and President of the Company effective 01 March 2015. Prior to joining GERI, she was Head of Megaworld's Corporate Management Division and spearheaded strategic real estate acquisitions and joint ventures for the Megaworld Group. She was also a member of Megaworld's Management Executive Committee, which is responsible for the development and execution of the Group's corporate strategies, policies and initiatives. She also holds directorships in various Megaworld and GERI subsidiaries including Southwoods Ecocentrum Corp., Twin Lakes Corporation, Megaworld-Global Estate, Inc., Global Homes and Communities, Inc., Southwoods Mall, Inc. Prestige Hotels & Resorts, Inc., Luxury Global Hotels and Leisure, Inc., Oceantown Properties, Inc., Eastwood Property Holdings, Inc., Megaworld Cebu Properties, Inc., Megaworld Resort Estates, Inc. Megaworld Land, Inc. and Megaworld Foundation, Inc.

WILBUR L. CHAN, Filipino, 55 years old, was elected as Director of the Company on 12 January 2011. He also serves as Head of the Business Group handling hotels and clubs. He is currently the Chairman and Director of Fairways & Bluewater Resorts Golf & Country Club, Inc. and Fil-Estate Urban Development Corporation. He is also Director in the following corporations: Aklan Holdings, Inc., Harbortown Development Corporation, La Compañia de Sta. Barbara, Inc., MCX Corporation, Prime Airways, Inc., Sherwood Hills Dev't. Inc., Sto. Domingo Place Development Corporation, Blue Sky Airways, Inc., Southwoods Ecocentrum Corporation, Golforce, Inc., and MRT Development Corporation. He is also a Director in Uni-Asia Properties, Inc. He has a Masteral Degree in Business Management at Asian Institute of Management, Master Degree in National Security Administration (Silver Medalist) at National Defense College of the Philippines and a Degree in Command & General Staff Course at Command & General Staff College.

GARRY V. DE GUZMAN, 47 years old, was elected as Director of the Company on 12 January 2011 and is currently the Treasurer and Corporate Information Officer of the Company. He currently heads the Corporate Advisory and Compliance Division of

Megaworld Corporation. Mr. De Guzman serves as director of ERA Real Estate Exchange, Inc., Megaworld Resort Estates, Inc. and Oceanic Realty International Group, Inc., Twin Lakes Corporation, Boracay Newcoast Hotel Group, Inc. He is concurrently Director, Corporate Secretary and Treasurer of Fairways & Bluewater Resort Golf & Country Club, Inc. and Corporate Secretary & Director of Megaworld Global-Estate, Inc., Global Homes and Communities, Inc., and Southwoods Mall, Inc. Mr. De Guzman has been in continuous litigation practice for more than twelve (12) years and is in charge of the Company's litigation, licensing, registration and titling activities. Before joining Megaworld, he was an Associate at the ACCRA Law Offices and Tax Assistant in Punongbayan and Araullo, CPAs. He obtained his Bachelor of Laws in 1994 from San Beda College where he graduated Class Salutatorian and was admitted to the Integrated Bar of the Philippines in 1995. In 1989, he obtained his bachelor's degree in Commerce major in Accounting from the same institution graduating Magna Cum Laude and Class Valedictorian. Mr. De Guzman is a member of the Commercial Law Affiliates, Asia Law, Philippine Institute of Certified Accountants and is Past President of the Rotary Club, Parañaque City Chapter.

FERDINAND T. SANTOS, Filipino, 65 years old, was elected as Director of the Company since its incorporation in 1994. He served as the Company's President until his retirement on 28 February 2015. He is also the President of Fil-Estate Management Inc., Fil-Estate Development Inc., Fil-Estate Properties Inc., Fairways & Bluewater Resort Golf & Country Club, Inc., Newport Hills Golf Club, Inc., MRT Development Corporation, St. Benedict Realty & Development Inc., Royal Jade Memorial Inc., and Mt. Zion Memorial Inc. He also serves as director of the following corporations: Aklan Holdings, Inc., Blue Sky Airways, Inc., Boracay Newcoast Hotel Group, Inc., Fil-Power Concrete Blocks, Fil-Power Construction Equipment Leasing Corp., Golden Sun Airways, Inc., Harbortown Development Corp., La Compañía De Sta. Barbara, Inc., MCX Corporation, Pioneer L-5 Realty Corp., Prime Airways, Inc., Sherwood Hills, Dev't. Inc., Sto. Domingo Development Corp., Southwoods Ecocentrum Corp., and Golforce, Inc., He graduated from Arellano University with Bachelor of Arts degree in 1970 and took his Bachelor of Laws at San Beda College where he graduated Valedictorian and Magna Cum Laude in 1974. He was a topnotcher in the 1974 Philippine Bar (2nd Place).

KEVIN ANDREW L. TAN, 35 years old, was elected as Director on 26 June 2014. He has served as Director of Alliance Global Group, Inc. since April 20, 2012. He is concurrently a Director of Emperador Distillers, Inc., Alliance Global Brands, Inc., Anglo Watsons Glass, Inc., Yorkshire Holdings, Inc., The Bar Beverage, Inc., Emperador Brandy, Inc., and New Town Land Partners, Inc. He has over 11 years of experience in retail leasing, marketing and operations. He currently heads the Commercial Division of Megaworld Corporation, which markets and operates the Megaworld Lifestyle Malls, including Eastwood Mall and The Clubhouse at Corinthian Hills in Quezon City, Venice Piazza at McKinley Hill and Burgos Circle at Forbestown Center, both in Fort Bonifacio, California Garden Square in Mandaluyong City, Newport Mall at Resorts World Manila in Pasay City, and Lucky Chinatown Mall in Binondo, Manila. Mr. Tan holds a Bachelor

of Science Business Administration degree, major in Management, from the University of Asia and the Pacific.

ALAIN A. SEBASTIAN¹¹, Filipino, 40 years old, was elected as Director on 26 June 2014. He serves as Assistant Vice-President of Megaworld Corporation since 2012 where he is responsible for various business development activities. Prior to joining Megaworld Corporation, he worked at Globe Telecom as Head of SME Segment Marketing. A seasoned relationship and project manager, he has held key roles in marketing, finance, and sales. He holds a Bachelor's degree in Management Economics from the Ateneo de Manila University as well as a Master's Degree in Business Administration from the Asian Institute of Management.

MIGUEL B. VARELA, Filipino, 75 years old, was elected as Independent Director on 28 September 2012. He has been a member of the Board of Directors of Megaworld Corporation since June 2006. He was also elected as Independent Director of Emperador Inc. since August 28, 2013. He is presently the President of the Philippine Chamber of Commerce and Industry (PCCI) was formerly President and now presently Director of Manila Bulletin Publishing Corporation, Director of Ausphil Tollways Corporation, Director, NPC Alliance Corporation, Vice Chairman Richmonde Hotel, among others. Chairman of the Employers Confederation of the Philippines (ECOP), Board of Trustee of Philippines Trade Foundation, Inc. Chairman of Pribadong Institusyong Laban sa Kahirapan (PILAK). Chairman of the Philippine Association of Voluntary Arbitration Foundation (PAVAF), and Vice Chairman of Philippine Dispute Resolution Center, Inc. (PDRCI). He is also the Vice President of the International Labor Organization, Inc., and Vice Chairman and Trustee, Foundation for Crime Prevention. He is an accredited international arbitrator of the Paris-based International Court of Arbitration. A member of the Philippine Bar, he pursued his Bachelor of Laws in the Ateneo de Manila Law School and his Associate in Liberal Arts from the San Beda College. He attended a Top Management and Productivity Program from the Asian Institute of Management (AIM) as well as special courses sponsored by ILO, Geneva, Switzerland, Asian Productivity Organization (APO), and the Nikkeren, Japan, covering areas of Managerial Management and Organizational Development, Productivity, Legal Management, Labor and Industrial Relations, Development of SME's among others. He is a member of the Philippine Bar Association, a Commissioner of the Consultative Commission on Constitutional Reform and a Lifetime Member of the Philippine Constitution Association (PHILCONSA). He is the recipient of various awards and citations such as San Beda College's Outstanding Alumni Award for Business Leadership, and San Beda Hall of Fame Awardee. Presidential Medal of Merit for Outstanding Service to the Republic of the Philippines, Tamaraw Leadership Award, Katipunan Leadership Award and Leadership Award from ECOP, PCCI and ASEAN Productivity Organization and Confederation of Asia-Pacific Chamber of Commerce and Industry (CACCI) Medallion for Distinguished Service Award. He was also conferred by the Central Luzon State University with the degree of Doctor of Humanities (honoris causa), and by the Eulogio "Amang" Rodriguez

¹¹ Alain A. Sebastian resigned as Director of the Company on 28 February 2015.

University of Science and Technology with a Doctorate in Business Technology (*honoris causa*).

GERARDO C. GARCIA, Filipino, 73 years old, was elected as Independent Director of the Company on 01 August 2011. He concurrently serves as Independent Director in the boards of Megaworld Corporation, Empire East Land Holdings, Inc., He is also a director of Megaworld Land, Inc., Suntrust Properties, Inc. and Philippine Tech. & Development Ventures, Inc. From October 1994 to December 1997, Mr. Garcia previously served as President of Empire East Land Holdings, Inc. Prior to joining Empire East Land Holdings, Inc., Mr. Garcia served as Executive Vice President of UBP Capital Corporation. He holds a bachelor's degree in Chemical Engineering and a Masters Degree in Business Administration from the University of the Philippines.

Key Executive Officers

LAILANI V.VILLANUEVA, Filipino, 35 years old, is the Chief Finance Officer and Compliance Officer. She is a Certified Public Accountant with over 14 years of experience in accounting and finance. Prior to joining the Company, she was connected with Megaworld Corporation as a Senior Accounting Manager from 2007 until 2010. In 2011, she joined Global-Estate Resorts, Inc. as Comptroller. She is concurrently the Chief Financial Officer of Fairways and Bluewater Resort Golf and Country Club, Inc., and Director and Chief Finance Officer of Southwoods Ecocentrum Corporation. Ms. Villanueva graduated from the College of the Immaculate Concepcion with a degree of Bachelor Science in Accountancy.

MARIE EMELYN GERTRUDES C. MARTINEZ, Filipino, 50 years old, is the Senior Vice President for Legal. She is also a Director of Fil-Estate Properties, Inc. and the Assistant Corporate Secretary of Fairways and Bluewater Resort Golf and Country Club, Inc. Before joining GERI, she was the Chief of Staff of the Office of COMELEC Commissioner Augusto C. Lagman. She was a Partner in Ponce Enrile Reyes & Manalastas (PECABAR) Law Offices and in Nisce Mamuric Guinto Rivera & Alcantara Law Offices. She was admitted to the Bar in 1991 after obtaining her Bachelor of Laws degree from University of the Philippines and her Bachelor of Arts major in Economics from the same university.

JENNIFER L. ROMUALDEZ, Filipino, 45 years old, is the Head of Operations Division of GERI. She joined GERI on July 1, 2012 as Vice President for Contracts and Procurement and in September 2012, she was appointed Vice President for Contracts, Procurement and Project Management. Previously, she worked for Megaworld Corporation for nine (9) years in various capacities in the areas of procurement, contracts, construction management and interior design. After her Megaworld stint she served as Corporate Manager for Quantity Surveying & Tender of Ding Feng Real Estate Development Co., Ltd. , Assistant Director for Marketing-Interior Design & Graphics of Ho Cheng (China) Co. Ltd., both in Shanghai, PRC and Consultant for the HCG Beijing

Flagship Showroom project. She graduated from the University of the Philippines in Diliman, Quezon City with a degree in Bachelor of Science Major in Architecture. She completed and passed the Philippine Licensure Examination for Architects in 1993.

KAREN B. MADERAZO, Filipino, 37 years old, is the Vice President for Human Resources. She joined GERI on October 1, 2013. Prior to joining the Company, Ms. Maderazo served as the Senior Manager for Human Resources Division of Megaworld Corporation from May 2005 to September 2013. She also worked for Suyen Corporation from June 2003 to February 2005 as Training Specialist of the Personnel Department. She graduated from Centro Escolar University with a degree in Bachelor of Science in Psychology. She also took up 36 units of Master's degree in Psychology from Centro Escolar University from 2000 to 2003.

CATHERINE D. MARCELO, Filipino, 40 years old, is the Vice President for Corporate Services of the Company since 2011. Prior to joining the Company, she worked with Lufthansa Technik Philippines, Inc. and ABS-CBN Broadcasting Corporation as Human Resources Head. From May 1996 to July 2001, she has been the Human Resources Division Senior Supervisor and Recruitment Officer, Training and Development Officer, and Overall HR Officer for Fil-Estate Group of Companies. She graduated from University of Santo Tomas with a degree of BS in Psychology in 1996.

DOMINIC V. ISBERTO, 40 years old, Filipino, was elected as the Corporate Secretary and Asst. Corporate Information Officer of the Company on 12 January 2011. He is also the Corporate Secretary of Alliance Global Group, Inc., Emperador Inc., Twin Lakes Corporation, Suntrust Properties, Inc. and Eastwood City Estates Association, Inc. He is currently a Senior Assistant Vice President for Corporate Management of Megaworld Corporation, where he is primarily responsible for negotiation, preparation and review of joint venture and sale and purchase agreements for the acquisition of property, lease agreements, loan agreements, and other corporate contracts and agreements and the handling of legal cases. Mr. Isberto has experience in litigation and banking and corporate law. He has a degree in Management Engineering from the Ateneo de Manila University and obtained his Bachelor of Laws degree from the University of the Philippines.

ROLANDO D. SIATELA, 54 years old, Filipino was elected as Assistant Corporate Secretary of the Company on 12 January 2011. He concurrently serves in PSE-listed companies, Alliance Global Group, Inc. and Megaworld Corporation and Emperador Inc. as Assistant Corporate Secretary, and in Suntrust Home Developers, Inc. as Corporate Secretary and Corporate Information Officer. He is also the Assistant Vice President of Megaworld Corporation. Prior to joining Megaworld Corporation, he was employed as Administrative and Personnel Officer with Batarasa Consolidated, Inc. and served as Assistant Corporate Secretary and Chief Administrative Officer of The Andresons Group, Inc. He is a member of the board of Asia Finest Cuisine, Inc., serves as Corporate Secretary of ERA Real Estate Exchange, Inc. and Oceanic Realty Group International, Inc. and as Documentation Officer of Megaworld Foundation

Significant Employees

The Corporation considers its entire workforce as significant employees. The Corporation relies on the contribution of all employees to achieve its corporate objectives.

FAMILY RELATIONSHIPS

Chairman Andrew L. Tan is the father of director Kevin Andrew L. Tan.

Involvement in Certain Legal Proceedings (over the past 5 years)

The Company has no knowledge of any of the following events that occurred during the past five (5) years up to the date of this report which are material to an evaluation of the ability or integrity of any director or executive officer:

- a. None of them has been involved in any bankruptcy petition.
- b. None of them has been convicted by final judgment in a criminal proceeding or being subject to a pending criminal proceeding both domestic and foreign.
- c. None of them has been subject to any order, judgment or decree of any court of competent jurisdiction (domestic or foreign) permanently or temporarily, enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities.
- d. None of them has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the commission or comparable foreign body or a domestic or foreign exchange or other organized trading market or self regulatory organization, to have violated a securities or commodities law or regulation.

ITEM 10. EXECUTIVE COMPENSATION

KEY EXECUTIVE OFFICERS

NAME	POSITION	YEAR	SALARY	Other Annual Compensation
A. Five Most Highly Compensated Officers		Estimated 2015	15.5Million	2.6 Million
Ferdinand T. Santos ¹² Monica T. Salomon ¹³ Emelyn C. Martinez Jennifer L. Romualdez Catherine M. Marcelo Arnel C. Ordas	President (<i>retired</i>) President (<i>current</i>) SVP-Legal FVP – Operations VP – Corp. Services Head for Litigation			
B. All other officers and directors as a group unnamed			13.8Million	2.4 Million

NAME	POSITION	YEAR	SALARY	Other Annual Compensation
C. Five Most Highly Compensated Officer		2014	14.1 Million	2.4 Million
Ferdinand T. Santos Emelyn C. Martinez Jennifer L. Romualdez Catherine M. Marcelo Arnel C. Ordas	President SVP - Legal VP-Contracts VP-Corp. Services Head for Litigation			
D. All other officers and directors as a group unnamed			11.6 Million	1.07 Million

¹² Atty. Santos retired on 28 February 2015. Thus, Atty. Santos' salaries for January and February are still included in the estimated amount.

¹³ Atty. Salomon was elected effective 01 March 2015.

NAME	POSITION	YEAR	SALARY	Other Annual Compensation
E. Five Most Highly Compensated Officer		2013	11.8 Million	1.21 Million
Ferdinand T. Santos	President			
Roberto S. Roco	SVP & CFO			
Emelyn C. Martinez	SVP – Legal			
Jennifer L. Romualdez	VP – Contracts			
Catherine M. Marcelo	VP – Corp. Services			
F. All other officers and directors as a group unnamed			12.56 Million	2.1 Million

The total annual compensation paid to all senior personnel from AVP and up are all payable in cash. The total annual compensation includes the basic salary and 13th month pay. The Company has no other arrangement with regard to the remuneration of its existing officers aside from the compensation received as herein stated.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The Directors receive a per diem per attendance at board meetings.

On September 23, 2011, the Board of Directors of the Company approved an Executive Stock Option Plan and this was approved on November 8, 2011 by stockholders holding at least 2/3 of the outstanding capital stock. The purpose of the Plan is to enable the key Company executives, directors and senior officers who are largely responsible for its further growth and development to obtain an ownership interest in the Company, thereby encouraging long-term commitment to the Company. The Plan is being administered by the Executive Compensation Committee of the Board.

Under the Plan, the Company shall initially reserve for exercise of stock options up to 500 million common shares of the Company's outstanding shares to be issued, in whole or in part, out of the authorized but unissued shares. Stock options may be granted within ten (10) years from the adoption of the Plan and may be exercised within seven (7) years from date of grant. The exercise price shall be at a 15% discount from the volume weighted average closing price of the Company's shares for twelve (12) months immediately preceding the date of grant. The options shall vest within three (3) years from date of grant and the holder of an option may exercise only a third of the option at the end of each year of the three (3) year period. The Company shall receive cash for the stock options.

Pursuant to this ESOP, on February 16, 2012, the Company granted the option to its key company directors and executives to subscribe to 100 million shares of the Company, at an exercise price of Php1.93 (1st Tranche). On February 18, 2013, the Company granted another stock option to the same set of directors and officers for the same number of shares (100 million shares) at an exercise price of Php1.69 (2nd Tranche). On March 7, 2014, the Company granted another stock option to the same set of directors and officers for the same number of shares (100 million shares) at an exercise price of Php1.50 (3rd Tranche).

The PSE approved the Company's application for the listing of 100,000,000 common shares (1st Tranche), an additional 100,000,000 common shares (2nd Tranche), and an additional 100,000,000 common shares (3rd Tranche) on May 25, 2012, January 28, 2014, and June 17, 2014, respectively.

An Option Holder may exercise in whole or in part his vested Option provided, that, an Option exercisable but not actually exercised within a given year shall accrue and may be exercised at any time thereafter but prior to the expiration of said Option's Life Cycle.

As of 31 December 2014, none of the Option Holders has exercised the options granted to them under the ESOP, and that no underlying shares have been subscribed nor fully-paid for by the Option Holders in connection therewith.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Certain Record and Beneficial Owners

Security ownership of certain record and beneficial owners owning more than 5% of any class of the Corporation's voting securities as of 31 December 2014 are as follows:

Title of Class	Name, address of record owner and relationship with issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (Based in total shares)
Common Shares	Megaworld Corporation 28th Floor, The World Center, 330 Senator Gil Puyat Ave., Makati City	Megaworld Corporation	Filipino	8,832,609,623	80.39 %

Common shares	PCD Nominee Corporation (Filipino) 6/F MKSE Bldg. Ayala Avenue, Makati City	Various shareholders	Filipino	1,184,598,777	10.783%
Common shares	Fil-Estate Management, Inc. 6/F Renaissance Tower, Meralco Avenue, Pasig City	Fil-Estate Management, Inc.	Filipino	451,910,946 Common – Direct 279,675,000 Common - Indirect	6.66%

Other than the persons identified above, there are no other beneficial owners of more than 5% of the Company's outstanding capital stock that are known to the Company.

Security Ownership of Management

As of December 31, 2014 common shares owned by all directors and executive officers of GERI, representing original issues and stock dividends are as follows:

Title of Class	Name of Beneficial Owner	Amount and nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Dr. Andrew L. Tan	1 (direct)	Filipino	0.00%
Common	Ferdinand T. Santos	30,007 (direct)	Filipino	0.00%
Common	Wilbur L. Chan	2,611,826 (direct)	Filipino	0.01%
Common	Miguel B. Varela	511 (direct) ¹⁴	Filipino	0.00%
Common	Monica T. Salomon ¹⁵	1 (direct)	Filipino	0.00%
Common	Garry V. de Guzman	1 (direct)	Filipino	0.00%
Common	Lourdes T. Gutierrez	1 (direct)	Filipino	0.00%
Common	Kevin Andrew L. Tan	1 (direct)	Filipino	0.00%
Common	Alain A. Sebastian ¹⁶	1 (direct)	Filipino	0.00%

¹⁴ 510 shares - held by "MIGUEL B. VARELA &/OR CECILIA M. VARELA".

¹⁵ Atty. Monica T. Salomon was elected as Director of the Company effective 01 March 2015.

¹⁶ Mr. Alain A. Sebastian resigned as Director of the Company on 28 February 2015.

Common	Gerardo C. Garcia	1 (direct)	Filipino	0.00%
Other Executive Officers				
Common	Lailani V. Villanueva	0	Filipino	n/a
Common	Marie Emelyn Gertrudes C. Martinez	0	Filipino	n/a
Common	Jennifer L. Romualdez	0	Filipino	n/a
Common	Karen B. Maderazo	0	Filipino	n/a
Common	Catherine D. Marcelo	0	Filipino	n/a
Common	Dominic V. Isberto	0	Filipino	n/a
Common	Rolando D. Siatela	0	Filipino	n/a

Voting Trust Holders of 5% or more

The Company knows of no persons holding more than 5% of common shares under voting trust or similar agreement.

Changes in Control

On 22 December 2010, the Company signed a Subscription Agreement with Alliance Global Group, Inc. (AGI) paving the way for AGI to subscribe to 5 billion common shares of the Company at a subscription price of One Peso (P1.00) per share for a total subscription price of P5 billion, Philippine currency, to be issued out of an increase in the capital stock of the Company from P5 billion to P10 billion. On 20 January 2011, said increase was approved by the Securities and Exchange Commission.

On June 30, 2011, the stockholders of the Company representing more than 2/3 of the outstanding capital stock of the Company ratified the P5 billion subscription of AGI which subscription represents sixty percent (60%) of the outstanding capital stock of the Company.

On 23 September 2011, the Board of Directors of Company approved the increase in authorized capital stock of the Company from Ten Billion Pesos (Php10,000,000,000.00) divided into Ten Billion (10,000,000,000) common shares with a par value of One Peso (Php1.00) each to Twenty Billion Pesos (Php20,000,000,000.00) divided into Twenty Billion (20,000,000,000) common shares with a par value of One Peso (Php1.00) each. The shareholders ratified the increase on 8 November 2011.

On 21 June 2013, the Board of Directors of the Company approved the subscription by Megaworld Corporation (Megaworld) to Two Billion Five Hundred Million (2,500,000,000) shares of the increase in capital stock of the Company, at the price of Two Pesos and Twenty Six (Php2.26) per share for an aggregate subscription price of Five Billion Six Hundred Fifty Million Pesos (Php5,650,000,000.00).

On 08 May 2014, in a move to consolidate all of AGI's property development businesses, Megaworld acquired AGI's 49.2% stake in the Company to increase its holdings to 74.96%, officially making GERI a subsidiary of Megaworld.

On 20 June 2014, Megaworld acquired an additional 5.44% stake in GERI through a tender offer. As a result, Megaworld now owns approximately 80.40% of the Company.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

No transaction was undertaken or to be undertaken by the Company in which any Director or Executive Officer, nominee for election as Director, or any member of their immediate family was or to be involved or had or will have a direct or indirect material interest.

No single Director or Executive Officer, nominee for election as Director, or any member of their immediate family owns or holds more than 10% of the Company's voting shares.

Advances granted to and obtained from subsidiaries, associates and other related parties are for purposes of working capital requirements.

PART IV – CORPORATE GOVERNANCE

ITEM 13. CORPORATE GOVERNANCE

Please refer to the attached Consolidated Changes to the Annual Corporate Governance Report 2014.

PART V – EXHIBITS AND SCHEDULES

ITEM 14. EXHIBITS AND REPORTS ON SEC FORM 17-C

a.) Exhibits

The following exhibit is incorporated by reference in this report:

2014 Consolidated Audited Financial Statements

No other exhibits, as indicated in the Index to Exhibits are either applicable to the Company or require no answer.

b.) Reports on SEC Form 17-C


The following reports on SEC Form 17-C were among those filed during the last six month period covered by this report:

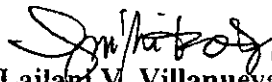
- 02 March 2015 Newly Appointed GERI Senior Executives
- 27 February 2015 Retirement of Atty. Ferdinand T. Santos
- 08 January 2015 Press Release: Strong demand for residential lots in Megaworld's Alabang West
- 11 November 2014 Press Release: GERI profit soars 37% to P320 M
- 27 October 2014 Press Release: Alabang West
- 13 August 2014 Press Release: GERI 1H 2014 profits rise 35% to P200 M
- 26 June 2014 Organizational Board Meeting – Election of Corporate Officers
- 26 June 2014 Annual Stockholder's Meeting & Election of Board Directors
- 26 June 2014 Press Release: GERI keen on 20% annual growth with P30 Bn in inventory


• SIGNATURES

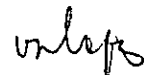
Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized in Pasig City on April ____, 2015.

By:


Atty. Monica T. Salomon
 President
Principal Operating Officer


Lailani V. Villanueva
 Chief Finance Officer
Principal Financial Officer

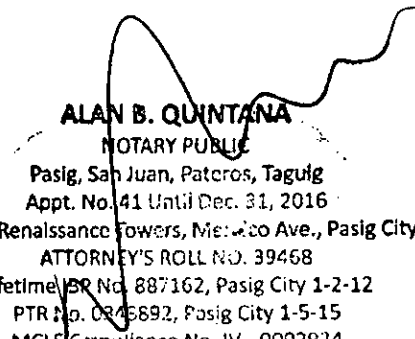

Atty. Dominic V. Isberto
 Corporate Secretary


Gervinna Z. Lopez
 Asst. Comptroller
Principal Accounting Officer

SUBSCRIBED AND SWORN to before me this _____ day of 07 APR 2015
 2014 affiants exhibiting to me their valid identification card, as follows:

<u>NAMES</u>	<u>Passport/LTO License/ SSS No.</u>	<u>Expiration Date</u>	<u>Place of Issue</u>
Atty. Monica T. Salomon	TIN 182-240-560-000	11/09/12	Manila
Lailani V. Villanueva	Passport #EB2520794	05/20/16	Manila
Atty. Dominic Isberto	331952824-1	--	--
Gervinna Z. Lopez	Passport#EB8888156	08/09/18	NCR

Doc. No. : 339 ;
 Page No. : 69 ;
 Book No. : 11 ;
 Series of 2015.


ALAN B. QUINTANA
 NOTARY PUBLIC
 Pasig, San Juan, Pateros, Taguig
 Appt. No. 41 Until Dec. 31, 2016
 6th Flr. Renaissance Towers, Mercedes Ave., Pasig City
 ATTORNEY'S ROLL NO. 39468
 Lifetime BR No. 887162, Pasig City 1-2-12
 PTR No. 0346692, Pasig City 1-5-15
 MCLE Compliance No. IV - 0002924