

SEC Number 93269-A  
File Number \_\_\_\_\_

**ROBINSONS LAND CORPORATION  
AND SUBSIDIARIES**

---

(Company's Full Name)

**43F Robinsons Equitable Tower, ADB Ave.  
Ortigas Center, Pasig City**

---

(Company's Address)

**6836-100**

---

(Telephone Number)

**June 30, 2006**

---

(Quarter Ended)

**SEC Form 17-Q**

---

(Form Type)

\_\_\_\_\_  
Amendment Designation (If applicable)

**CN 000452R - Listed**

---

(Secondary License Type and File Number)

## TABLE OF CONTENTS

<b>DOCUMENT</b>	<b>PAGE NUMBER</b>
SEC Form 17-Q.....	1 - 3
Management Discussion and Analysis of Financial Condition and Results of Operations (Exhibit I).....	4 - 5
Interim Financial Statements (Exhibit II)	
Financial Statements Cover.....	6
Consolidated Balance Sheets.....	7
Unaudited Consolidated Statements of Income.....	8
Unaudited Consolidated Statements of Changes in Stockholders' Equity.....	9
Unaudited Consolidated Statements of Cash Flows.....	10
Notes to Consolidated Financial Statements.....	11 – 19
Aging of Receivable and Payable.....	20
Remarks to Additional Disclosure Requirements.....	21

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **June 30, 2006**

2. Commission identification number **93269A**

3. BIR Tax Identification No. **000-361-376-000**

4. Exact name of issuer as specified in its charter

**ROBINSONS LAND CORPORATION**

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

**MANILA, PHILIPPINES**

6. Industry Classification Code:  (SEC Use Only)

7. Address of issuer's principal office

Postal Code

**43F Robinsons Equitable Tower, ADB Ave., Ortigas Center, Pasig City**

8. Issuer's telephone number, including area code

**6836-100**

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

**Not applicable**

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

Title of each Class

Number of shares of common  
stock outstanding and amount  
of debt outstanding

**Common**

**2,296,918,457 shares**

**Registered Bonds Payable**

**P1,000,000,000**

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

Yes [] No []

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

**PHILIPPINE STOCK EXCHANGE**

**COMMON STOCK**

12. Indicate by check mark whether the registrant:

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

#### **PART I--FINANCIAL INFORMATION**

##### **Item 1. Financial Statements.**

Financial Statements and, if applicable, Pro Forma Financial Statements meeting the requirements of SRC Rule 68, Form and Content of Financial Statements, shall be furnished as specified therein. **See Exhibit II**

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

**See Exhibit I**

#### **PART II--OTHER INFORMATION**

The Company's retained earnings include the accumulated equity in undistributed net earnings of investee companies and affiliates amounting to P97,332,935 as of June 30, 2006 and P160,208,082 as of September 30, 2005. These amounts are not available for dividend declaration until received in the form of dividends from subsidiaries.

**SIGNATURES**

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

Issuer **LANCE Y. GOKONGWEI**  
Signature and Title President and COO  
Date

**CONSTANTE T. SANTOS** **RODOLFO T. MALIT**  
Signature and Title SVP-Corporate Controller FVP-Controller  
Date

## **ROBINSONS LAND CORPORATION**

### **3rd Quarter FY 2006 PERFORMANCE**

**Robinsons Land Corporation (RLC)** recorded gross revenues of ₱1.486 billion for the third quarter of fiscal year 2006, bringing up three quarter revenues to ₱4.832 billion, up by 27% from last year's ₱3.79 billion. The Company was able to achieve a 30% growth in Income from Operations, from last year's ₱1.336 billion to ₱1.735 billion. EBITDA amounting to ₱2.673 billion this year shows 22% increase from last year's ₱2.190 billion. Net income for the three quarters of fiscal year 2006 stood at ₱1.232 billion, up by 20% from last year's ₱1.025 billion.

The largest revenue contributor remains to be the Commercial Centers Division, contributing 49% of the Company's gross revenues. Revenues from Commercial Centers amounted to ₱2.352 billion as against last year's ₱2.292 billion. The Company flagship mall, Robinsons Place Manila continue to enjoy excellent rental income, while newer malls Robinsons Place – Pioneer and Robinsons Place – Angeles and the redeveloped Robinsons Place – Novaliches are also contributing to the rental growth.

RLC's High Rise Buildings Division registered a 79% growth in revenues, from ₱813.9 million last year to ₱1.454 billion this year. This is mainly due to the recognition of realized revenues from its projects particularly One Gateway Place, a middle-cost residential condominium building in Pioneer Street, Mandaluyong, and One Adriatico Place located along Adriatico Street, Malate Manila. Likewise, the Division's office buildings including the newly opened Cybergate Center in the Pioneer Complex, are enjoying almost full occupancy. These office buildings have become the top choices of business process outsourcing companies and call centers due to their prime locations and technical design. Rental income from these buildings amounted to ₱234.44 million compared to ₱164.15 million over the same period last year.

The Company's Housing and Land Development Division, through its two housing subsidiaries, Robinsons Homes, Inc. and Trion Homes Development Corp., reported revenues amounting to ₱368.81 million, higher by ₱39.1 million or 12% over last year's ₱329.71 million due to higher project completion of ongoing projects

The Hotel Division, a major contributor to the Company's recurring revenues, registered gross revenues of ₱657.86 million for the three quarters of FY 2006 as against last year's ₱354.64 million due to the excellent reception to the opening of Crown Plaza Hotel. Holiday-Inn Galleria Manila remained steady while Cebu Midtown Hotel and Robinsons Apartelle in Mandaluyong registered revenue growth of 11% and 29% respectively.

Real Estate cost increased by 15% from ₱1.474 billion last year to ₱1.697 billion this year mainly due to higher cost of realized sales of High Rise Division. Hotel Costs and Expenses increased due to the opening of Crowne Plaza Hotel. General and Administrative expense increased by 17% mainly as a result of higher marketing and selling expenses on account of higher sales and revenues of High-Rise Division.

Interest income dropped to ₱79.5 million this year from ₱157.3 million last year, since the initial adoption of Philippine Accounting Standard (PAS 39) entails higher level of interest-bearing principal compared to latter years.

As of June 30, 2006, Total Assets of the Company stood at ₱32.391 billion while Stockholders' Equity was at ₱14.023 billion. Cash dividends paid during the period amounted to ₱735 million.

Cash and Cash Equivalents increased by 97% due to receipt of proceeds of a 9% three-year loan from the Parent Company. Increase in Receivables is due to higher installment sales of High-Rise Division. Increase in Land Condominium and Residential Units for Sale is due to on-going construction of One Gateway Place in EDSA and One Adriatico Place located in Manila. Acquisition of land properties for future development raised the level of Investment from ₱18.61 billion last year to ₱20.395 billion this year. The on-going construction of The Robinsons Cybergate Center II located beside the Robinsons Gateway Mall in Pioneer and the on-going expansion of malls in Dasmariñas, Cavite, Lipa, Batangas and Manila raised the level of Property and Equipment from ₱1.420 billion last year to ₱2.577 billion this year.

Increase in level of Accounts Payable and Accrued Expenses was due to the accrual of purchase price of various land properties acquired during the period. Recognition of cost to complete sold units in Gateway Place in EDSA raised the level of Estimated Liability for Property and Land Development for the period. Long-term debt was reduced by ₱240.0 million due to semi-annual payments made in October 2005 & April 2006. The increase in Deposits and other Liabilities is due to pre-selling activities for various projects of High-Rise Division and three-year loan from the Parent Company to finance capital expenditures of the Company.

RLC's key performance indicators are revenue growth, EBIT, EBITDA and Net Income all of which showed improvement at 27%, 30%, 22% and 20% respectively. The Company's financial position remains solid, with a financial debt to equity ratio of 0.35:1. Earnings per share for the period amounted to ₱0.53 per share this year compared to ₱0.45 per share last year. Net book value per share as of June 30, 2006 and 2005 amounted to ₱6.15 and ₱5.85, respectively.

ROBINSONS LAND CORPORATION  
AND SUBSIDIARIES

Consolidated Financial Statements  
As of June 30, 2006

**ROBINSONS LAND CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

	<b>June 30,</b> <b>2006</b> (Unaudited)	<b>September 30,</b> <b>2005</b> (Audited)
<b>ASSETS</b>		
<b>Cash and Cash Equivalents</b> (Note 3)	<b>P 1,512,479,955</b>	<b>P 768,347,708</b>
<b>Receivables - net</b> (Note 4)	<b>6,075,776,089</b>	<b>3,837,509,466</b>
<b>Subdivision Land and Condominium and Residential Units for Sale - net</b> (Note 5)	<b>1,130,978,352</b>	<b>647,976,888</b>
<b>Investments - net</b> (Note 6)	<b>20,395,771,330</b>	<b>18,610,470,628</b>
<b>Property and Equipment - net</b> (Note 7)	<b>2,577,289,896</b>	<b>1,419,636,905</b>
<b>Other Assets</b> (Note 8)	<b>698,711,278</b>	<b>585,897,893</b>
	<b>P 32,391,006,900</b>	<b>P 25,869,839,488</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Accounts Payable and Accrued Expenses</b> (Note 9)	<b>P 5,961,371,426</b>	<b>P 4,306,002,618</b>
<b>Estimated Liability for Property and Land Developm</b>	<b>2,519,956,124</b>	<b>1,503,518,261</b>
<b>Long Term Debt</b> (Note 10)	<b>1,760,000,000</b>	<b>2,000,000,000</b>
<b>Deposits and Other Liabilities</b> (Note 11)	<b>8,015,121,171</b>	<b>4,423,149,171</b>
	<b>18,256,448,721</b>	<b>12,232,670,050</b>
<b>Stockholders' Equity</b>		
Equity attributable to Equity Holders of the Parent		
Capital stock	<b>2,296,918,457</b>	<b>2,296,918,457</b>
Additional paid-in capital	<b>3,397,915,263</b>	<b>3,397,915,263</b>
Retained earnings (Notes 12 and 15)	<b>8,328,323,955</b>	<b>7,838,683,292</b>
	<b>14,023,157,675</b>	<b>13,533,517,012</b>
Minority Interest in a Consolidated Subsidiary	<b>111,400,504</b>	<b>103,652,426</b>
<b>Total Equity</b>	<b>14,134,558,179</b>	<b>13,637,169,438</b>
	<b>P 32,391,006,900</b>	<b>P 25,869,839,488</b>

**ROBINSONSLAND CORPORATION AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENT OF INCOME**

	For the Period April - June		For the Period Oct - June	
	2006	2005	2006	2005
<b>GROSS REVENUES</b>				
Real Estate	P 1,268,033,884	P 1,142,531,857	P 4,174,633,310	P 3,435,450,639
Hotel Operations	218,198,998	120,438,442	657,860,860	354,635,661
	1,486,232,882	1,262,970,299	4,832,494,170	3,790,086,300
<b>COSTS AND EXPENSES</b>				
Real Estate	494,466,037	451,842,392	1,696,636,422	1,473,880,975
Hotel Operations	218,340,667	107,835,346	627,679,915	318,825,694
General and Administrative	234,507,458	244,361,316	772,711,005	661,444,421
	947,314,162	804,039,054	3,097,027,342	2,454,151,090
<b>INCOME FROM OPERATIONS</b>	538,918,721	458,931,245	1,735,466,829	1,335,935,210
Net Finance Cost	5821,614	33,171,283	79,484,795	157,336,816
<b>INCOME BEFORE INCOME TAX</b>	544,740,335	492,102,528	1,814,951,624	1,493,272,026
<b>PROVISION FOR INCOME TAX</b>	147,562,073	145,775,424	582,548,976	468,339,466
<b>NET INCOME</b>	397,178,262	346,327,104	1,232,402,648	1,024,932,560
Attributable to:				
Equity holders of Parent Company	394,398,309	344,028,262	1,224,654,570	1,022,729,652
Minority interest in a Consolidated Subsidiary	2,779,953	2,298,842	7,748,078	2,202,908
	P 397,178,262	P 346,327,104	P 1,232,402,648	P 1,024,932,560
<b>Basic Earnings Per Share</b>	P 0.17	P 0.15	P 0.53	P 0.45

See accompanying Notes to Consolidated Financial Statements.

**ROBINSONS LAND CORPORATION AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN**  
**STOCKHOLDERS' EQUITY**  
**For the Nine Months Ended June 30, 2006 and 2005**

	2006	2005
<b>CAPITAL STOCK - P1 par value</b>		
Authorized - 3,000,000,000 shares		
Issued - 2,296,918,457 shares	P 2,296,918,457	P 2,296,918,457
<b>ADDITIONAL PAID-IN CAPITAL</b>	<b>3,397,915,263</b>	<b>3,397,915,263</b>
<b>RETAINED EARNINGS (Notes 12 and 15)</b>		
Appropriated	3,500,000,000	3,500,000,000
Unappropriated:		
Balance at beginning of period	4,299,471,551	3,474,467,405
Dividends	(735,013,906)	(459,383,691)
Cumulative effect of change in accounting policy for financial statements		51,217,851
Pas 19	39,211,740	46,018,353
As restated	3,603,669,385	3,112,319,918
Net income	1,224,654,570	1,022,729,652
Balance at end of period	4,828,323,955	4,135,049,570
	P 14,023,157,675	P 13,329,883,290

**ROBINSONS LAND CORPORATION AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Nine Months Ended June 30, 2006 and 2005**

	2006		2005	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax	P	1,814,951,623	P	1,493,272,026
Adjustments for:				
Depreciation and amortization		937,629,052		854,842,482
Interest income - net and Others		(144,386,795)		(157,336,816)
Changes in operating assets and liabilities				
Decrease (increase) in:				
Receivables		(2,139,864,880)		(1,335,340,193)
Subdivision land and condominium and residential units for sale		533,436,399		812,327,662
Increase (decrease) in:				
Accounts payable and accrued expenses		1,331,739,922		635,957,962
Deposits and other liabilities		1,093,141,559		41,789,525
Minority interest in a consolidated subsidiary		7,748,078		2,202,908
Net cash generated from operations		3,434,394,958		2,347,715,556
Interest paid		(280,546,840)		(195,690,099)
Interest received		52,924,388		29,244,550
Net cash provided by operating activities		3,206,772,506		2,181,270,007
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease (increase) in:				
Other assets		(112,813,385)		(82,195,092)
Receivables from affiliated companies		6,939,336		14,740,868
Additions to:				
Investments		(2,664,082,748)		(2,681,241,215)
Property and equipment		(1,216,499,997)		343,444,991
Net cash used in investing activities		(3,986,456,794)		(2,405,250,448)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Net payment of notes payable		-		(420,000,000)
Net proceeds from issuance/(payment) of long-term debt		(240,000,000)		1,245,455,000
Increase (decrease) in payables to affiliated companies		2,498,830,441		(37,272,679)
Payment of cash dividends		(735,013,906)		(458,983,691)
Net cash provided by financing activities		1,523,816,535		329,198,630
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>				
		744,132,247		105,218,189
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>				
		768,347,708		243,944,351
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>				
	P	1,512,479,955	P	349,162,540

See accompanying Notes to Consolidated Financial Statements.

## **ROBINSONS LAND CORPORATION AND SUBSIDIARIES**

---

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

---

#### **1. General**

Robinsons Land Corporation (the Parent Company) is a stock corporation organized under the laws of the Philippines and has seven wholly-owned consolidated subsidiaries namely, Robinsons Homes, Inc. (RHI), Trion Homes Development Corporation (THDC), Manila Midtown Hotels and Land Corporation (MMHLC), Robinson's Inn, Inc. (RII), Robinsons Realty and Management Corporation (RRMC), Robinsons (Cayman) Limited (RCL), and Robinsons Properties Marketing and Management Corporation (RPMMC) and a 51%-owned company, Altus Angeles, Inc. (AAI) (collectively known as RLC Group).

The Company's principal executive office is located at 43rd Floor Robinsons Equitable Tower, ADB Ave., Ortigas Center, Pasig City.

The Group is engaged in the business of selling, acquiring, building, constructing, developing, leasing and disposing of real properties such as land, buildings, shopping malls, commercial centers, housing projects of all types, hotels, motels and other variants, mixed-used property projects, industrial estates, infrastructure projects, amusement and recreation parks or theme parks, and property development of all kinds and nature. The Company is 92.79% owned by J. G. Summit Holdings, Inc. (JGSHI), one of the country's largest conglomerates, with diverse interests in branded consumer foods, agro-industrial and commodity food products, textile, telecommunications, petrochemicals, air transportation and financial services.

---

#### **2. Summary of Significant Accounting Policies**

##### Basis of Financial Statement Preparation

The consolidated financial statements have been prepared in compliance with accounting principles generally accepted in the Philippines as set forth in the Philippine Financial Reporting Standard (PFRS).

##### Principles of Consolidation

The consolidated financial statements include the accounts of Robinsons Land Corporation (Parent Company) and its wholly owned subsidiaries, Robinsons Homes, Inc. (RHI), Trion Homes Development Corporation (THDC), Manila Midtown Hotels and Land Corporation (MMHLC), Robinson's Inn, Inc. (RII), Robinsons Realty and Management Corporation (RRMC), Robinsons (Cayman) Limited (RCL), and Robinsons Properties Marketing and Management Corporation (RPMMC) and Altus Angeles, Inc. (AAI), after eliminating significant intercompany balances and transactions.

##### Use of Estimates

The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the Philippines which requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the consolidated financial statements. Actual results could differ from such estimates.

### Revenue and Cost Recognition

Real estate sales are generally accounted for under the full accrual method. Under this method, the gain on sale is recognized when: (a) the collectibility of the sales price is reasonably assured; (b) the earnings process is virtually complete; and, (c) the seller does not have a substantial continuing involvement with the subject properties. The collectibility of the sales price is considered reasonably assured when: (a) the buyers have actually confirmed their acceptance of the related loan applications after the same have been delivered to and approved by either the banks or other financing institutions for externally-financed accounts; or (b) the full downpayment comprising a substantial portion of the contract price is received and the capacity to pay and credit worthiness of buyers have been reasonably established for sales under the deferred cash payment arrangement. When a sale does not meet the requirements for income recognition, gain is deferred until such requirements are met.

Real estate sales where the Company has material obligations under the sales contracts to provide improvements after the subject properties are sold are accounted for under the percentage-of-completion method. Under this method, the gain on sale is recognized as the related obligations are fulfilled.

If any of the criteria under the full accrual method or the percentage-of-completion method is not met, the deposit method is applied until all the conditions for recording a sale are met. Pending recognition of sale, cash received from buyers are presented under the "Customers' deposits" account which is shown as part of the "Deposits and Other Liabilities" account in the liabilities section of the balance sheets.

Cost of subdivision land, condominium and residential units sold before completion of the project is determined based on actual costs and project estimates of contractors and technical staff.

The cost to complete the development of sold subdivision land, condominium and residential units are shown as "Estimated Liability for Property and Land Development" in the consolidated balance sheets. Interest costs on loans, which are directly attributable to the construction, are capitalized while the development is in progress.

The Parent Company leases its commercial real estate properties to others through operating leases. Rental income on leased properties is recognized as earned based on the terms of the lease contracts.

Revenues from hotel operations are recognized when services are rendered. Revenues from banquets and other special events are recognized when the events take place. Rental income on leased areas of the hotel is recognized as earned based on the terms of the lease contracts.

Interest income is recognized as the interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

### Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amount of cash with original maturities of three (3) months or less and that are subject to an insignificant risk of changes in value.

### Trade Receivables

Trade receivables are recognized initially at fair value and measured subsequently at amortized cost using the effective interest method, less allowance for any uncollectible amount. A provision for impairment of trade receivables is established when there is objective evidence that the Group will

not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest rate. The provision is recognized in the income statement.

### Subdivision Land and Condominium and Residential Units for Sale

Subdivision land and condominium and residential units for sale are carried at the lower of costs plus interest costs on loans directly attributable to the projects which were capitalized during construction or net realizable value. Net realizable value is selling price less cost to complete, commissions and other marketing costs.

### Investments

Investments in shares of stock in which the Parent Company owns 20% or more of the outstanding voting stocks of the investee are carried at cost adjusted for its equity in net earnings or losses and dividends received since date of acquisition.

Investments in land, buildings and improvements are carried at cost less applicable accumulated depreciation. The land improvements and buildings and improvements are depreciated on the straight-line method over their estimated useful lives as follow:

	<u>Years</u>
Land improvements	10
Buildings	20
Buildings and improvements	10
Theater furniture and equipment	5

The useful life and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of investments in land improvements, buildings and improvements.

Construction in progress is stated at cost. This includes cost of construction and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operational use.

The cost of maintenance and minor repairs is charged to income as incurred while significant renewals and improvements are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to income for the year.

### Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization and any impairment. The cost of an item of property and equipment includes its purchase price and any cost attributable in bringing the asset to its intended location and working condition. Cost also includes interest and other charges on borrowed funds used to finance the acquisition of property and equipment to the extent incurred during the period of construction/installation.

Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation commences once the assets are available for use and is calculated on a straight-line basis over the estimated useful lives of 5 years.

The useful life and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Assets under construction are transferred to the investment properties account when the construction or installation and related activities necessary to prepare the property and equipment for their intended use are completed, and the properties are ready for service.

Construction in progress is stated at cost. This includes cost of construction and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operational use.

China, glassware, silver and linen on stock are valued at cost while those in use are valued at cost less accumulated depreciation.

The costs of maintenance and repairs are charged to operations. Major renewals and improvements, which extend the lives of the property, are capitalized to the appropriate property and equipment accounts. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to income for the year.

#### Deferred Income Tax

Deferred tax assets and liabilities are recognized for: (a) future tax consequences attributable to differences between the financial reporting bases of assets and liabilities and their related tax bases; and (b) the carryforward benefits of minimum corporate income tax (MCIT) and net operating loss carryover (NOLCO). Deferred tax assets and liabilities are measured using the tax rates applicable to taxable income in the years in which those temporary differences are expected to be recovered or settled and MCIT and NOLCO are expected to be applied.

#### Borrowing Costs

Borrowing costs are generally recognized as expense in the year in which these costs are incurred, except those borrowing costs that are directly attributable to the acquisition, development, improvement and construction of projects which are capitalized as part of the cost of such projects.

The capitalization of borrowing costs as part of the cost of projects (a) commences when the expenditures and borrowing costs for the projects are being incurred and activities that are necessary to prepare the projects for their intended use or sale are in progress; (b) is suspended during the extended periods in which active development, improvement and construction of the projects is interrupted; and (c) ceases when substantially all the activities necessary to prepare the projects for their intended use or sale are complete.

### Retirement Costs

Retirement cost is actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees' projected salaries. Actuarial valuations are conducted with sufficient regularity, with option to accelerate when significant changes to underlying assumptions occur. Retirement cost includes current service cost, interest cost, expected return on any plan assets, actuarial gains and losses and the effect of any curtailments or settlements.

The liability recognized in the consolidated balance sheets in respect of defined retirement plans is the present value of the defined benefit obligation as of balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash inflows using risk-free interest rates that have terms to maturity approximating the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are credited to or charged against income when the net cumulative unrecognized actuarial gains and losses at the end of the previous period exceed 10% of the higher of the present value of the defined benefit obligation and the fair value of plan assets at that date. The excess actuarial gains or losses are recognized over the average remaining working lives of the employees participating in the plan.

### Foreign Currency Transactions

Exchange gains or losses arising from foreign currency denominated transactions are credited or charged directly to income for the year.

### Earnings Per Share

Basic earnings per share is calculated by dividing net income by the weighted average number of common shares outstanding during the year.

---

### 3. **Cash and Cash Equivalents**

This account consists of:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
Cash on hand and in banks	<b>₱ 60,698,290</b>	₱ 151,841,343
Short-term investments	<b>1,451,781,665</b>	616,506,365
	<b>₱ 1,512,479,955</b>	₱ 768,347,708

---

#### 4. Receivables

This account consists of:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
Trade	<b>₱ 5,273,563,324</b>	₱ 3,294,674,109
Affiliated companies	<b>56,685,866</b>	63,625,202
Advances and others	<b>753,527,304</b>	487,518,392
	<b>6,083,776,494</b>	3,845,817,703
Less allowance for doubtful accounts	<b>8,000,405</b>	8,308,237
	<b>₱ 6,075,776,089</b>	₱ 3,837,509,466

---

#### 5. Subdivision Land and Condominium and Residential Units for Sale

This account consists of:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
Condominium units	<b>₱ 738,271,971</b>	₱ 306,579,271
Residential units and land development costs	<b>392,706,381</b>	341,397,617
	<b>₱ 1,130,978,352</b>	₱ 647,976,888

---

#### 6. Investments

This account consists of:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
Land	<b>₱ 7,308,823,209</b>	₱ 5,174,409,722
Land improvements – net	<b>17,494,262</b>	19,741,449
Building and improvements - net	<b>12,957,055,621</b>	13,284,832,904
Theater Furniture and Equipment	<b>110,398,238</b>	129,486,553
Others	<b>2,000,000</b>	2,000,000
	<b>₱ 20,395,771,330</b>	₱ 18,610,470,628

---

#### 7. Property and Equipment

This account consists of:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
Construction in Progress	<b>₱ 2,305,679,507</b>	₱ 1,131,673,836
Other Equipment – net	<b>271,610,389</b>	287,963,069
	<b>₱ 2,577,289,896</b>	₱ 1,419,636,905

---

## 8. Other Assets

This account consists of:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
Input	<b>₱ 352,893,449</b>	₱ 405,270,074
Prepayments	<b>45,806,965</b>	29,064,912
Others	<b>300,010,864</b>	151,562,907
	<b>₱ 698,711,278</b>	₱ 585,897,893

---

## 9. Accounts Payable and Accrued Expenses

This account consists of:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
Accounts payable – trade	<b>₱ 2,229,348,379</b>	₱1,067,232,936
Accrued expenses, taxes, licenses and others	<b>3,212,073,255.63</b>	2,804,313,376
Accrued rent expense	<b>519,949,792</b>	434,456,306
	<b>₱ 5,961,371,426</b>	₱4,306,002,618

---

## 10. Long-Term Debt

This account consists of:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
Loan from ING, Manila and SBC under the DBP-JBIC –5 loan facility at fixed interest rate of 9.2% per annum + 1.5% margin payable in nine (9) semi-annual payments starting October 2005. Current rate is 11.235%	<b>₱ 760,000,000</b>	₱ 1,000,000,000
Registered Bonds with interest Repriced quarterly based on the three-month Treasury security displayed on Mart 1 page of Bloomberg plus 2% due on March 7, 2008. Current rate is 11.235%	<b>1,000,000,000</b>	1,000,000,000
	<b>₱ 1,760,000,000</b>	₱ 2,000,000,000

---

## 11. Deposits and Other Liabilities

This account consists of:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
Payable to affiliated companies and other liabilities	<b>₱ 3,758,141,120</b>	₱ 1,220,244,035
Customers' deposits	<b>1,897,311,751</b>	1,712,742,493
Unrealized gross profit	<b>2,359,668,300</b>	1,490,162,643
	<b>₱ 8,015,121,171</b>	<b>₱4,423,149,171</b>

Payable to affiliated companies and other liabilities includes interest bearing advances (fixed at 9% payable quarterly) from the Parent Company which will mature on February 14, 2009.

---

## 12. Retained Earnings

The retained earnings include the accumulated equity in undistributed net earnings of subsidiaries amounting to ₱97,332,935 as of June 30, 2006 and ₱160,208,082 as of September 30, 2005. These amounts are not available for dividend declaration until received in the form of dividends.

---

## 13. Earnings Per Share

Earnings per share amounts were computed as follows:

	<b>June 30, 2006</b> <b>(Unaudited)</b>	Sept. 30, 2005 <b>(Audited)</b>
a. Net income for the period ended	<b>₱ 1,232,402,648</b>	₱ 1,222,701,837
b. Weighted average number of common shares outstanding	<b>2,296,918,457</b>	2,296,918,457
c. Earnings per share (a/b) – Basic	<b>₱0.53</b>	₱0.53

Diluted earnings per share - not applicable

---

## 14. Segment Reporting

The ASC issued SFAS 31 "Segment Reporting", effective for financial statements beginning on or after January 1, 2001. This statement has been adopted by the Company beginning October 1, 2001. This Statement requires that a public business enterprise report financial and descriptive information about its reportable segments. Operating segments are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources and in assessing performance. Generally, financial information is required to be reported on the basis that it is used internally for evaluating segment performance and deciding how to allocate resources to segments. The Group derives its revenues from the following reportable services:

*Commercial Center Division* - develops, leases and manages shopping malls/commercial centers all over the country.

*High-rise Buildings Division* - responsible for the development, sale and/or lease of office and residential condominium space, as well as high-end horizontal residential projects.

*Housing and Land Development Division* - responsible for the development and sale of middle-income and socialized housing and residential lots.

*Hotels Division* - owns and operates a chain of prime hotels in Manila, Pasig and Cebu City and a service apartment.

The following tables present revenue and income information and certain asset and liability information regarding business segments as of and for the nine months ended June 30, 2006 and 2005:

**June 30, 2006**

	Commercial Center Division	High-rise Buildings Division	Housing and Land Development Division	Hotels Division	Total
Revenues	P 2,352,434,916	P 1,453,378,698	P 368,819,696	P 657,860,860	P 4,832,494,170
Operating Expenses	549,006,166	898,582,641	200,090,120	511,719,363	2,159,398,290
EBITDA	1,803,428,750	554,796,057	168,729,576	146,141,497	2,673,095,880
Depreciation	708,407,208	110,778,249	2,483,043	115,960,552	937,629,052
EBIT	1,095,021,542	444,017,808	166,246,533	30,180,945	1,735,466,828
Financing Cost	51,918,155	30,273,539	-5,528,406	2,821,507	79,484,795
Income before income tax	1,146,939,697	474,291,347	160,718,127	33,002,452	1,814,951,623
Segment assets	19,011,030,365	9,845,963,968	1,272,893,840	2,261,118,727	32,391,006,900
Segment liabilities	9,022,401,709	7,698,360,692	1,146,330,830	389,355,490	18,256,448,721

**June 30, 2005**

	Commercial Center Division	High-rise Buildings Division	Housing and Land Development Division	Hotels Division	Total
Revenues	P 2,291,864,074	P 813,880,179	P 329,706,386	P 354,635,661	P 3,790,086,300
Operating Expenses	684,161,546	467,120,568	175,975,824	272,050,670	1,599,308,608
EBITDA	1,607,702,528	346,759,611	153,730,562	82,584,991	2,190,777,692
Depreciation	720,792,245	84,711,879	2,563,334	46,775,024	854,842,482
EBIT	886,910,283	262,047,732	151,167,228	35,809,967	1,335,935,210
Financing Cost	27,528,278	135,572,024	-7,664,332	1,900,846	157,336,816
Income (loss) before income tax	914,438,561	397,619,756	143,502,896	37,710,813	1,493,272,026
Segment assets	15,946,787,222	6,668,741,139	1,044,486,595	1,096,672,718	24,756,687,674
Segment liabilities	6,068,065,959	4,273,709,454	961,553,437	18,278,225	11,321,607,075

15. **Others**

Last year's financial statements include retroactive adjustment in the adoption of the following:

1. PAS 39 which resulted to increase in net income by P77,680,337. PAS 39, *Financial Instruments: Recognition and Measurement*, establishes the accounting and reporting standards for recognizing and measuring financial assets and financial liabilities.

2. PAS 19, Employee Benefits (prescribes the accounting and disclosures by employers for employee benefits), resulted to increase in Beginning Retained Earnings by P46,018,353 and decrease in net income by P7,851,113.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES  
 AGING OF RECEIVABLES AND PAYABLES  
 AS OF JUNE 30, 2006

	<u>Total</u>	<u>Due within Three Months</u>	<u>Due over Three Months</u>
Receivables-net	<u>6,075,776,089</u>	<u>470,046,554</u>	<u>5,605,729,535</u>
Accounts Payable and Accrued Expenses	<u>5,961,371,426</u>	<u>1,446,192,940</u>	<u>4,515,178,486</u>

**ROBINSONS LAND CORPORATION AND SUBSIDIARIES**

**PART 1- FINANCIAL INFORMATION**

<b>Item 1. Financial Statements required under SRC Rule 68.1</b>	<b>Remarks</b>
<b>7. The following information, as a minimum, should be disclosed in the notes to financial statements, if material and if not disclosed elsewhere in the interim financial report.</b>	
h. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period;	not applicable
i. The effect of changes in the composition of the issuer during the interim period, including business combinations, acquisitions or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations;	not applicable
j. Changes in contingent liabilities or contingent assets since the last annual balance sheet date.	not applicable
k. Existence of material contingencies and any other events or transactions that are material to an understanding of the current interim period.	not applicable
<b>Item 2. Management's Discussion and Analysis (MDA) of Financial Condition and Results of Operations ((Part 111, par. (A) (2) (b) )</b>	
2. Discussion and analysis of material event/s and uncertainties known to management that would address the past and would have an impact on future operations of the following:	
(a)(i) Any known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing liquidity.	not applicable
(a)(ii) Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;	not applicable
(a)(iii) All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.	not applicable
(a)(iv) Any material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.	not applicable
(a)(v) Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.	not applicable
(a)(vi) Any significant elements of income or loss that did not arise from the issuer's continuing operations.	not applicable
(a)(viii) Any seasonal aspects that had a material effect on the financial condition or result of operations.	not applicable
<b>PART 11 - OTHER INFORMATION</b>	
1. Disclosure not made under SEC Form 17-C	not applicable