

SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER

1. 14 August 2019  
Date of Report (Date of earliest event reported)
2. SEC Identification Number 51048 3. BIR Tax Identification No. 042-000-053-167
4. FILINVEST DEVELOPMENT CORPORATION  
Exact name of issuer as specified in its charter
5. Philippines 6.  (SEC Use Only)  
Province, country or other Industry Classification Code:  
jurisdiction of incorporation
7. The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City 1634  
Address of principal office Postal Code
8. (632) 918-8188 / 798-3958  
Issuer's telephone number, including area code
9. Not applicable  
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock<br>Outstanding and Amount of Debt<br>Outstanding |
|---------------------|---|
| <b>Common</b>       | <b>8,648,462,987</b>  |

11. Indicate the item numbers reported herein: Item 9

Please see attached press release which is self-explanatory.

**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 hereunto duly authorized.

**FILINVEST DEVELOPMENT CORPORATION**

Issuer

Date 14 August 2019



**SHARON P. PAGALING-REFUERZO**

Corporate Secretary and  
Corporate Information Officer

## **FDC 1H 2019 income up 19%**

Gotianun family-led Filinvest Development Corporation (FDC) reported a net income attributable to equity holders of the parent company growth of 19% to P6.1 billion for the first half of 2019. Consolidated net income grew by 16% to P8.0 billion from the P6.9 billion in the same period last year. The strong performance for the semester was driven by revenue growth of 14%, largely composed of contribution from its core businesses in property and banking together with its power and sugar businesses.

FDC believes that property, composed of the real estate and hospitality segments, continues to be a solid source of growth for the group, contributing more than half of FDC's bottom line. Meanwhile, FDC's banking and financial services subsidiary, East West Banking Corporation (EastWest Bank), delivered net income of P2.7 billion in the first half of 2019, 33% higher than the same period last year. Power subsidiary, FDC Utilities, Inc. (FDCUI), posted net income growth of 87% to P1.4 billion.

"We are pleased with the results of our various business lines, with notable improvements resulting from the ramp up of our leasing, hotel and power businesses," said FDC President and CEO L. Josephine G. Yap. "We are positive that the trajectory is sustainable in the second half of the year as demand for our products and services across the different business lines continue to be strong," added Mrs. Yap.

Rental revenues from FDC's listed subsidiary, Filinvest Land, Inc. (FLI), as well as Filinvest Alabang, Inc. (FAI) grew by 31% to P3.7 billion off the back of the completion of six office buildings in 2018, adding a total of 118,000 square meters of gross leasable area (GLA) to its portfolio. The group is targeting a combined office and retail GLA of 1.7 million square meters by 2023. Sale of lots, condominium and residential units was almost flat, growing by 1%, to P11.0 billion as higher residential sales posted by FLI was offset by the timing of commercial lot sales by FAI.

Hotel operations achieved a revenue growth of 24% to P1.6 billion that also contributed to the improved performance of the property business, boosted by the opening of Crimson Resort and Spa Boracay in November 2018 and Quest Tagaytay in April 2019. FDC's subsidiary, Filinvest Hospitality Corporation (FHC), currently has a portfolio of six managed properties with approximately 1,800 rooms under the Crimson and Quest brands. The group also has approximately 2,600 rooms that are in the planning and construction stages, with a target of managing 5,000 rooms by 2023.

EastWest Bank's revenues and other income grew by 25% to P17.5 billion, primarily driven by a 37% increase in non-interest income led by fees and commissions that grew by 30% to P2.7 billion as well as trading gains of P630 million. Loan growth was registered at 16%. "With inflation easing and interest rates tapering off, we anticipate that the second half of the year will be more positive and allow us to sustain our performance," commented FDC Chairman Jonathan T. Gotianun.

FDCUI revenues surged by 28% to P5.3 billion due to additional power purchases brought about by higher demand and the sale of replacement power to other power generators. FDCUI operates an aggregate 405-megawatt clean coal plant in Misamis Oriental, the largest operating baseload power plant in Mindanao, of which 302 megawatts is contracted under mostly long-term power purchase agreements. FDCUI is in the process of contracting additional capacity to existing customers.

FDC has started pouring in investments in the high-growth Clark corridor through its two major developments, namely the 201-hectare Filinvest Mimosa Plus Leisure City (the former Clark Mimosa Estate) and the 288-hectare development in New Clark City. Filinvest Mimosa Plus Leisure City currently has a 303-room Quest Plus Hotel, two championship 18-hole golf courses, and two fully-leased out BPO office buildings. Construction of two BPO office buildings and strip mall are underway. Over at New Clark City, construction of Phase 1 of the 64-hectare innovation and logistics park has also started. The Mimosa Plus Lifestyle Mall and the expansion of Quest Plus Hotel that will add approximately 400 rooms are due to ground break within the year.

Rounding up FDC's investments in Clark is the 25-year concession agreement to develop commercial assets, operate and maintain project facilities, and fit-out the new terminal in the Clark International Airport (CIA). FDC is a lead consortium member with a 42.5% stake in Luzon International Premier Airport Development Corporation (LIPAD), the CIA concessionaire, with JG Summit, Changi Airports Philippines Pte., Ltd. and Philippine Airport Ground Support Solutions, Inc. being its partners in this venture.

The Filinvest group is also part of a "superconsortium" of the country's seven largest conglomerates that was granted an original proponent status to transform the Ninoy Aquino International Airport (NAIA) into a regional airport hub and ensure that NAIA would have the capacity to meet continued growth in passenger traffic in and out of the growing economies of the Philippines and region. The project is currently under review by NEDA.

Disclaimers:

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