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SECURITIES AND EXCHANGE COMMISSION

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Company Information

SEC Registration No.	AS94006430
Company Name	EMPIRE EAST LAND HOLDINGS INC.
Industry Classification	
Company Type	Stock Corporation

Document Information

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **30 September 2013**

2. Commission Identification Number: **ASO94-006430**

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

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

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

6. (SEC Use Only)
   Industry Classification Code

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

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

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

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

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

    Yes [X] No [ ]

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

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

11. Indicate by check mark whether the issuer:

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

    Yes [X] No [ ]

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

Yes [X] No [ ]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

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

Exhibit 1 - Consolidated Statements of Financial Position as of December 31, 2012 and September 30, 2013
Exhibit 2 - Consolidated Statements of Comprehensive Income as of September 30, 2012 and September 30, 2013
Exhibit 3 - Consolidated Statements of Changes in Equity as of September 30, 2012 and September 30, 2013
Exhibit 4 - Consolidated Statements of Cash Flows as of September 30, 2012 and September 30, 2013
Exhibit 5 - Notes to Interim Financial Information

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

Please refer to Exhibit 6 hereof.

Item 3. Aging of Accounts Receivables

Please refer to Exhibit 7 hereof.

Item 4. Schedule of Financial Soundness Indicators

Please refer to Exhibit 8 hereof.

PART II – OTHER INFORMATION

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

SIGNATURE

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

EMPIRE EAST LAND HOLDINGS, INC.
Issuer

By: EGCacho

EVELYN G. CACHO
Vice President for Finance (Principal Financial Officer) and Duly Authorized Officer
November 14, 2013

EXHIBIT 1

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

		Unaudited 30-Sep-13		Audited 31-Dec-12
A S S E T S				
CURRENT ASSETS				
Cash and cash equivalents	P	1,165,168	P	3,033,223
Trade and other receivables - net		2,984,298		2,590,589
Residential and condominium units for sale		12,617,294		11,342,431
Property development costs		2,808,331		2,659,617
Advances to related parties		1,782,242		1,687,392
Prepayments		214,826		154,130
Other current assets		755,647		512,115
Total Current Assets		22,327,806		21,979,497
NON-CURRENT ASSETS				
Trade and other receivables - net		2,253,049		2,194,359
Advances to landowners and joint ventures		829,102		822,585
Available-for-sale financial assets		2,646,100		1,887,176
Land held for future development		3,902,125		3,662,752
Investment in associates		506,561		970,146
Investment property - net		189,754		202,357
Property and equipment - net		163,689		171,066
Goodwill		78,327		78,327
Deferred tax assets		4,066		4,066
Other non-current assets		6,291		6,419
Total Non-current Assets		10,579,064		9,999,253
TOTAL ASSETS	P	32,906,870	P	31,978,750

		Unaudited 30-Sep-13		Audited 31-Dec-12
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Interest-bearing loans and borrowings	**P**	**91,422**	P	152,990
Trade and other payables		**535,316**		948,442
Income tax payable		**112**		7,053
Deferred gross profit on real estate sales		**124,756**		90,417
Customers' deposits		**3,082,915**		2,739,542
Advances from related parties		**1,633,058**		2,788,093
Reserve for property development		**306,769**		175,551
Other current liabilities		**284,774**		197,271
Total Current Liabilities		**6,059,122**		7,099,359
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings		**150,028**		236,894
Reserve for property development		**773,358**		906,876
Deferred tax liabilities		**1,218,548**		1,128,597
Deferred gross profit on real estate sales		**136,589**		224,930
Retirement benefit obligation		**116,488**		114,965
Total Non-current Liabilities		**2,395,011**		2,612,262
Total Liabilities		**8,454,133**		9,711,621
EQUITY				
Equity attributable to parent company's shareholders		**23,838,684**		21,654,212
Non-controlling interest		**614,053**		612,917
Total Equity		**24,452,737**		22,267,129
TOTAL LIABILITIES AND EQUITY	**P**	**32,906,870**	P	31,978,750

EXHIBIT 2

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

	Unaudited		Unaudited	
	July to Sept 2013	Jan to Sept 2013	July to Sept 2012	Jan to Sept 2012
REVENUES				
Real estate sales	P 266,712	P 1,132,630	P 291,388	P 1,003,698
Realized gross profit on prior years' sales	23,989	122,071	9,664	15,900
Finance income	55,467	242,645	85,535	299,123
Equity in net earnings of associates	1,904	7,109	23,950	62,130
Commissions and other income	141,716	415,988	166,530	351,495
	489,788	1,920,443	577,067	1,732,346
COSTS & EXPENSES				
Cost of real estate sales	157,473	712,541	194,041	692,739
Deferred gross profit on current year's sales	14,102	68,068	28,746	113,436
Finance costs	10,808	94,484	30,735	76,673
Operating expenses	257,736	822,734	299,875	734,172
Tax expense	5,562	93,432	(5,173)	26,026
	445,681	1,791,259	548,224	1,643,046
NET PROFIT	44,107	129,184	28,843	89,300
Net profit attributable to:				
Parent company's shareholders	P 43,834	P 128,048	P 27,841	P 94,131
Non-controlling interest	273	1,136	1,002	(4,831)
	P 44,107	P 129,184	P 28,843	P 89,300
OTHER COMPREHENSIVE INCOME (LOSS)				
Fair value gains (losses) on available-for-sale financial assets	11,260	796,424	553,568	756,194
TOTAL COMPREHENSIVE INCOME (LOSS)	P 55,367	P 925,608	P 582,411	P 845,494
Total comprehensive income (loss) attributable to:				
Parent company's shareholders	P 55,094	P 924,472	P 583,122	P 834,035
Non-controlling interest	273	1,136	(711)	11,459
	P 55,367	P 925,608	P 582,411	P 845,494
Earnings Per Share				
Basic		P 0.0087		P 0.0088
Diluted		P 0.0087		P 0.0088

EXHIBIT 3

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousand pesos)

	Unaudited 30-Sep-2013		Unaudited 30-Sep-2012	
CAPITAL STOCK		P 14,803,455		P 10,908,215
ADDITIONAL PAID-IN CAPITAL		4,307,888		4,281,565
DEPOSIT FOR FUTURE STOCK SUBSCRIPTION				674,000
TREASURY SHARES		(102,107)		(116,234)
REVALUATION RESERVES				
Balance at beginning of year	1,016,726		473,951	
Net Unrealized fair value gains (losses) on available-for-sale financial assets	796,424		739,904	
Balance at end of period		1,813,150		1,213,855
RETAINED EARNINGS		3,016,298		2,748,447
MINORITY INTEREST		614,053		746,319
TOTAL EQUITY		P 24,452,737		P 20,456,167

EXHIBIT 4

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

		Unaudited 30-Sep-13		Unaudited 30-Sep-12
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax	P	222,616	P	115,326
Adjustments for:				
Depreciation and amortization		27,696		28,908
Finance costs		94,484		76,673
Finance income		(242,645)		(299,123)
Equity in net earnings of associates		(7,109)		(62,129)
Operating income before working capital changes		95,042		(140,345)
Net Changes in Operating Assets and Liabilities				
Increase in current and non-current assets		(2,046,884)		(1,881,465)
(Decrease) Increase in current and other non-current liabilities		(1,124,157)		1,220,925
Increase in reserve for property development		(2,300)		234,046
Cash used in operations		(3,078,299)		(566,839)
Interest received		149,324		210,576
Cash paid for income taxes		(34,720)		(35,445)
Net Cash Used in Operating Activities		(2,963,695)		(391,708)
CASH FLOWS FROM INVESTING ACTIVITIES		6,322		261,928
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		1,089,318		412,516
NET DECREASE IN CASH AND CASH EQUIVALENTS		(1,868,055)		282,736
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		3,033,223		827,666
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P	1,165,168	P	1,110,402

EXHIBIT 5

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
NOTES TO INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDING SEPTEMBER 30, 2013 AND 2012
(UNAUDITED)
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

Empire East Land Holdings, Inc. (the Company or parent company) was incorporated under the laws of the Philippines on July 15, 1994. The Company is presently engaged in the development and marketing of mid-cost housing projects in the form of condominium communities, subdivision lots and house and lot packages, and commercial units to a limited extent. The Company also sells land and leases out commercial and industrial properties.

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

The Company holds interests in the following entities:

	Explanatory	Percentage of Ownership	
Subsidiaries/ Associate	Notes	**September 2013**	2012
Subsidiaries:			
Eastwood Property Holdings, Inc. (EPHI)	(a)	**100%**	100%
Valle Verde Properties, Inc. (VVPI)	(b)	**100%**	100%
Sherman Oak Holdings, Inc, (SOHI)	(c)	**100%**	100%
Empire East Communities, Inc. (EECI)	(d)	**100%**	100%
Laguna BelAir School, Inc. (LBASI)	(e)	**73%**	73%
Sonoma Premier Land, Inc.(SPLI)	(f)	**60%**	60%
Associates:			
GPMAI	(g)	**47%**	47%
SPI	(h)	**0%**	33%

Explanatory Notes:

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

(b) Subsidiary incorporated in 2006; has not yet started commercial operations as of December 31, 2012. Additional shares were acquired in November 2008 through assignment of shares from a third party.

(c) Subsidiary incorporated in 2007; has not yet started commercial operations as of December 31, 2012. Shares acquired through assignment of shares from Yorkshire Holdings Inc., a third party, in January 2008.

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

(e) Subsidiary incorporated in 1996 to primarily engage in operating a school for primary and secondary education.

(f) Subsidiary incorporated in 2007 as a holding entity to primarily engage in the development and marketing of all kinds of real estate. Additional shares acquired from First Centro, Inc. in March and June 2008. SPLI has not yet started commercial operations.

(g) In 2012, the entity was deconsolidated and treated as an associate of the Group.

(h) In June 2013, the company sold its stake in its associate, Suntrust Properties Inc., to its parent, Megaworld Corporation, for a price of P471 million.

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

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

The intermediate parent company, Megaworld, is engaged in the development of large-scale mixed-use planned communities or townships that integrate residential, commercial, leisure and entertainment components. The ultimate parent company, Alliance Global Group, Inc. (AGI), is a holding company with diversified investments in real estate, food and beverages, manufacturing, quick service restaurant and tourism-oriented businesses. The shares of common stock of both Megaworld and AGI are listed at the PSE.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The interim consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

The interim consolidated financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. They do not include all of the information required in annual financial statements in accordance with PFRS and should be read in accordance with the consolidated financial statement of the Group for the year ended December 31, 2012.

(b) Presentation of Financial Statements

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

(c) Functional and Presentation Currency

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

2.2 Adoption of New and Amended PFRS

Effective in 2013 that are Relevant to the Group

There are new and amended PFRS that are effective for periods subsequent to 2012. Management has initially determined the following pronouncements, which the Group will apply in accordance with their transitional provisions, to be relevant to its consolidated financial statements:

(i) PAS 1 (Amendment), *Financial Statements Presentation – Presentation of Items of Other Comprehensive Income* (effective from July 1, 2012). The amendment requires an entity to group items presented in other comprehensive income into those that, in accordance with other PFRS: (a) will not be reclassified subsequently to profit or loss; and, (b) will be reclassified subsequently to profit or loss when specific conditions are met. The Group's management expects that this will change the current presentation of items in other comprehensive income (i.e., unrealized fair value gains and losses on AFS financial assets).

(ii) PAS 19 (Amendment), *Employee Benefits* (effective from January 1, 2013). The amendment made a number of changes as part of the improvements throughout the standard. The main changes relate to defined benefit plans as follows:

- eliminates the corridor approach under the existing guidance of PAS 19 and requires an entity to recognize all gains and losses arising in the reporting period;

- streamlines the presentation of changes in plan assets and liabilities resulting in the disaggregation of changes into three main components of service costs, net interest on net defined benefit obligation or asset, and remeasurement; and,

- enhances disclosure requirements, including information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in them.

(iii) Consolidation Standards

The Group is currently reviewing the impact on its consolidated financial statements of the following consolidation standards which will be effective from January 1, 2013:

- PFRS 10, *Consolidated Financial Statements*. This standard builds on existing principles of consolidation by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements. The standard also provides additional guidance to assist in determining control where this is difficult to assess.

- PFRS 11, *Joint Arrangements*. This standard provides a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. This standard replaces the three categories under PAS 31, mainly, jointly controlled entities, jointly controlled operations and jointly controlled assets, with two new categories – joint operations and joint ventures.

Moreover, this also eliminates the option of using proportionate consolidation for joint ventures.

- PFRS 12, *Disclosure of Interest in Other Entities*. This standard integrates and makes consistent the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and unconsolidated structured entities. This also introduces new disclosure requirements about the risks to which an entity is exposed from its involvement with structured entities.

- PAS 27 (Amendment), *Separate Financial Statements*. This revised standard now covers the requirements pertaining solely to separate financial statements after the relevant discussions on control and consolidated financial statements have been transferred and included in PFRS 10. No new major changes relating to separate financial statements have been introduced as a result of the revision.

- PAS 28 (Amendment), *Investments in Associate and Joint Venture*. This revised standard includes the requirements for joint ventures, as well as associates, to be accounted for using equity method following the issuance of PFRS 11.

(iv) PFRS 7 (Amendment), *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities* (effective from January 1, 2013). The amendment requires qualitative and quantitative disclosures relating to gross and net amounts of recognized financial instruments that are set-off in accordance with PAS 32, *Financial Instruments: Presentation*. The amendment also requires disclosure of information about recognized financial instruments which are subject to enforceable master netting arrangements or similar agreements, even if they are not set-off in the statement of financial position, including those which do not meet some or all of the offsetting criteria under PAS 32 and amounts related to a financial collateral. These disclosures will allow financial statement users to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with recognized financial assets and financial liabilities on the entity's financial position. The Group has initially assessed that the adoption of the amendment will not have a significant impact on its consolidated financial statements.

(v) PFRS 13, *Fair Value Measurement* (effective from January 1, 2013). This standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across PFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. Management is in the process of reviewing its valuation methodologies for conformity with the new requirements and has yet to assess the impact of the new standard on the Group's consolidated financial statements.

Effective in 2013 that are Relevant to the Group

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

PFRS 9, *Financial Instruments: Classification and Measurement* (effective from January 1, 2015). This is the first part of a new standard on financial instruments that will replace PAS 39, *Financial Instruments: Recognition and Measurement*, in its entirety. To date, other chapters of PFRS 9 dealing with impairment methodology and hedge accounting are still being completed.

The Group does not expect to implement and adopt PFRS 9 until its effective date or until all chapters of this new standard have been published. In addition, management is currently assessing the impact of PFRS 9 on the consolidated financial statements and it plans to conduct a comprehensive study in the fourth quarter of 2014 of the potential impact of this standard prior to its mandatory adoption date to assess the impact of all changes.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

3.1 Critical Judgements in Applying Accounting Policies

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

(a) Impairment of AFS Financial Assets

The Group follows the guidance of PAS 39 in determining when an investment is other-than-temporarily impaired. This determination requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance and operational and financing cash flow.

(b) Distinction Between Investment Properties and Owner-managed Properties

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

Based on management's assessment, properties held for rental and for capital appreciation are classified as investment property.

(c) Distinction between Operating and Finance Lease

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

Based on management's assessment, the Group's lease agreements as a lessor and lessee are classified as operating lease.

3.2 Key Sources of Estimation Uncertainty

The estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances of the Group's consolidated financial statements. Actual results could differ from those estimates. The following are the relevant estimates performed by management.

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

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

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

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

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

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

(d) Valuation of Available-for-sale Financial Assets

The Group carries certain financial assets at fair value, which are classified as level 1 fair values as these investments are traded in the stock market. Available-for-sale financial assets are measured at cost when there is no available market value.

(e) Realizable Amount of Deferred Tax Assets

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

(f) Impairment of Non-financial Assets

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

(g) Valuation of Post-Employment Defined Benefit

The determination of the Group's obligation and cost of pension is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. In accordance with PFRS, actual results that differ from the assumptions are accumulated and amortized over future periods and therefore, generally affect the recognized expense and recorded obligation in such future periods.

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

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

(i) Basis for Revenue Recognition Benchmark

The Group recognizes its revenue in full when 25% or more of the total contract price is received. Management believes that the revenue recognition criterion on percentage of collection is appropriate based on the Group's collection history of customers and number of back out sales in prior years. Buyer's interest in the property is considered to have vested when the payment of at least 25% of the contract price has been received from the buyer and the Group ascertained the buyer's commitment to complete the payment of the total contract price.

(j) Determination of Fair Value of Investment Property

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

4. SEGMENT REPORTING

4.1 Business Segments

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

4.2 Segment Assets and Liabilities

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

4.3 Intersegment Transactions

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

4.4 Analysis of Segment Information

The tables in the succeeding pages present the revenue and profit information regarding industry segments for the nine months ended September 30, 2013 and 2012 and certain assets and liabilities information regarding industry segments as of September 30 2013 and December 31, 2012.

September 30, 2013

	High-Rise Projects	Horizontal Projects	Corporate and Others	Total
TOTAL REVENUES				
Sales to external customers	P 904,836,693	P 227,793,271	P 415,987,524	P 1,548,617,488
RESULTS				
Segment results	P 355,965,150	P 120,126,118	P 658,632,717	P 1,132,723,985
Unallocated expenses			(822,733,914)	(822,733,914)
Operating profit				309,990,071
Finance costs			(94,483,759)	(94,483,759)
Foreign currency losses- net			(4,619,214)	(4,619,214)
Equity share in net earnings of an associate			7,109,457	7,109,457
Profit before tax				222,615,769
Tax expense			(93,432,178)	(93,432,178)
Profit before minority interest				129,183,591
Non-controlling interest – share in net profit				(1,135,898)
Net profit attributable to parent company's shareholders				**P 128,047,693**
ASSETS AND LIABILITIES				
Segment assets	P 14,021,305,067	P 4,616,135,936	P 157,394,604	P 18,794,835,607
Investments in an associate	-	-	506,560,661	506,560,661
Unallocated assets	-	-	13,605,473,278	13,605,473,278
Total assets	**P 14,021,305,067**	**P 4,616,135,936**	**P 14,269,428,542**	**P 32,906,869,546**
Segment liabilities	P 824,279,312	P 517,192,254	P -	P 1,341,471,566
Unallocated liabilities	-	-	7,112,661,533	7,112,661,533
Total liabilities	**P 824,279,312**	**P 517,192,254**	**P 7,112,661,533**	**P 8,454,133,100**
OTHER SEGMENT INFORMATION				
Capital expenditures			P 9,522,031	P 9,522,031
Depreciation and amortization			27,696,486	27,696,486

September 30, 2012

	High-Rise Projects	Horizontal Projects	Corporate and Others	Total
TOTAL REVENUES				
Sales to external customers	P 809,850,691	P 193,847,601	P 475,547,674	P 1,355,193,482
RESULTS				
Segment results	P 185,029,637	P 28,393,499	P 650,618,374	P 864,041,510
Unallocated expenses			(734,171,779)	(734,171,779)
Operating profit				129,869,731
Finance costs			(76,673,261)	(76,673,261)
Equity share in net earnings of an associate			62,128,547	62,128,547
Profit before tax				115,325,017
Tax expense			(26,025,524)	(26,025,524)
Profit before minority interest				89,299,493
Non-controlling interest – share in net profit				4,831,282
Net profit attributable to parent company's shareholders				P 94,130,775
ASSETS AND LIABILITIES				
Segment assets	P 12,470,671,987	P 4,528,288,193	P 168,225,441	P 17,167,185,621
Investments in an associate	-	-	970,146,246	970,146,246
Unallocated assets	-	-	13,841,417,993	13,841,417,993
Total assets	**P 12,470,671,987**	**P 4,528,288,193**	**P 14,979,789,680**	**P 31,978,749,860**
Segment liabilities	P 808,553,884	P 589,219,928	P -	P 1,397,773,812
Unallocated liabilities	-	-	8,313,847,189	8,313,847,189
Total liabilities	**P 808,553,884**	**P 589,219,928**	**P 8,313,847,189**	**P 9,711,621,001**
OTHER SEGMENT INFORMATION				
Capital expenditures			P 16,125,846	P 16,125,846
Depreciation and amortization			28,907,742	28,907,742

5. STOCK RIGHT

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

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

As of September 30, 2013, the Company's number of shares issued and outstanding totaled 14,803,455,238 with total Treasury Stock of 127,256,071.

6. EARNINGS PER SHARE

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

Earnings per share amounts were computed as follows:

	September 30, 2013	September 30, 2012
Weighted average number of shares	**14,803,455,238**	10,754,304,333
Income available to parent company's shareholders	**P 128,047,693**	P 94,130,755
Basic	**P 0.0087**	P 0.0088
Diluted	**P 0.0087**	P 0.0088

7. COMMITMENTS AND CONTINGENCIES

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

8. SEASONAL FLUCTUATIONS

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

9. ASSESSMENT OF FINANCIAL RISKS

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

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

9.1) Foreign Currency Sensitivity

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

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

The Group's U.S.-dollar denominated financial assets, translated into Philippine pesos amounted to P79.3 million as of September 30, 2013.

At September 30, 2013, if the peso had strengthened by 6% against the U.S. dollar with all other variables held constant, income before tax for the year would have been P4.9 million lower, mainly as a result of foreign exchange loss on translation of U.S. dollar-denominated cash and cash equivalents.

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

The 6% movement in the value of peso against U.S. dollar was estimated based on the market volatility in exchange rates. The sensitivity analysis is based on the Group's foreign currency financial instruments held at the reporting period.

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

9.2) Interest Rate Sensitivity

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

On September 30, 2013, if general interest rates on dollar and peso-denominated financial assets had been higher by 0.69%, with all other variables held constant, income before tax for the year would have been P7.2 million higher, mainly as a result of higher interest income on floating rate deposits.

The movements in interest rates used in the sensitivity analysis are considered reasonably possible and are based on observation of interest rate fluctuations for the past six months using a 95%-confidence level. The calculations are based on the

Group's financial instruments held at each reporting period, with effect estimated from the beginning of the year.

9.3) Credit Risk

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

	As of Sept. 30,2013	As of Dec. 31, 2012
Cash and cash equivalents	**P 1,165,167,725**	P 3,033,222,982
Trade and other receivables - net	**4,499,083,621**	4,208,570,334
Advances to landowners and joint venture	**829,101,791**	822,584,793
Advances to related parties	**1,782,241,752**	1,687,392,195
	P 8,275,594,888	P 9,751,770,304

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

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

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

9.4) Liquidity Risk

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

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

As at September 30, 2013, the Group's financial liabilities have contractual maturities which are presented below:

	Current		Non-current	
	Within 6 Months	6 to 12 Months	1 to 5 Years	Later than 5 Years
Interest-bearing loans and borrowings	P 91,423,179	P -	P 150,028,412	P -
Trade and other payables	348,074,550	-	-	-
Advances from related parties	1,633,058,068	-	-	-
Other current liabilities	256,452,975	-	-	-
	P2,329,008,772	P -	P 150,028,412	P -

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

	Current		Non-current	
	Within 6 Months	6 to 12 Months	1 to 5 Years	Later than 5 Years
Interest-bearing loans and borrowings	P 170,684,851	P -	P 413,846,258	P -
Trade and other payables	891,315,116	-	-	-
Advances from related parties	2,874,646,777	-	-	-
Other current liabilities	180,245,087	-	-	-
	P4,116,891,831	P -	P 413,846,258	P -

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

9.5) Other Market Price Risk

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

At September 30, 2013, if the quoted stock price for the securities had decreased by 3.19% with all other variables held constant, equity would have been lower by about P84.3 million. The 3.19% estimated change in quoted market price is computed based on volatility of local index for holdings first listed at Philippine Stock Exchange.

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

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

10. FINANCIAL INSTRUMENTS EVALUATION

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

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

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

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

10.1) Financial Assets at Fair Value through Profit or Loss

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

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

10.2) Loans and Receivables

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

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

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

10.3) Held-to-maturity Investments

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

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

10.4) Available-for-sale Financial Assets

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

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

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

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

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

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

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

EXHIBIT 6

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

RESULTS OF OPERATIONS

Review of September 30, 2013 versus September 30, 2012

During the nine-month period, the consolidated net profit amounted to P129.2 million, 45% higher than the previous year's net income of P89.3 million. Consolidated revenues, composed of real estate sales, realized gross profit, finance income, earnings of associates, commissions and other revenues posted an increase of 11% from P1.7 billion to P1.9 billion.

Real Estate Sales

The Group registered Real Estate Sales of P1.1 million for nine months ended September 30, 2013 compared with P1.0 million in 2012. The sales generated were derived from various projects including, San Lorenzo Place, Pioneer Woodlands, The Sonoma, The Rochester Gardens, The Cambridge Village, California Gardens Square and Laguna Bel Air Projects.

The Cost of Real Estate Sales amounting to P712.5 million in 2013 and P692.7 million in 2012, as a percentage of Real Estate Sales, was 63% and 69%, respectively. The change was primarily due to the different composition of products sold for each year.

Gross Profit was P420 million during the none months of 2013 and P311 million in 2012, or 37% and 31% of Real Estate Sales, respectively. The gross profit margin varies depending on the product mix and the competitiveness of prices of each product. Realized Gross Profit amounting to P474.1 million in 2013 and P213.4 million in 2012, represents 42% and 21% of Real Estate Sales, respectively.

Other Revenues

The finance income amounting to P242.6 million and P299.1 million in 2013 and 2012 respectively, were derived mostly from in-house financing and accounts for 13% and 17% of total revenues. Additional sources of revenue were commissions of a subsidiary, rentals of investment properties and those obtained from other sources. Commission and other income totaling P416 million in 2013 and P351 million in 2012, represents 22% and 20% of total revenues, respectively.

Operating Expenses

Operating Expenses posted an increase from P734.2 million in 2012 to P822.7 million in 2013. Other charges/expenses include Finance Cost of P94.5 million and P76.7 million in 2013 and 2012, respectively.

FINANCIAL CONDITION

Review of September 30, 2013 versus December 31, 2012

Total resources of the Group as of September 30, 2013 and December 31, 2012 amounted to P33 billion and P32 billion respectively. Cash and Cash Equivalents decreased from P3.0 billion to P1.2 billion. The Group remained liquid with Total Current Assets of P22.3 billion in 2013 and P22.0 billion in 2012, which accounted for 68% and 69% of the Total Assets in 2013 and 2012 respectively, while its Total Current Liabilities amounted to P6.1 billion in September 30, 2013 as compared with P7.1 billion in December 31, 2012.

Equity increased from P22.3 billion in the previous year to P24.4 billion as of September 30, 2013 due to additional subscription of shares, revaluation of equity investments and net income for the 9-month period.

For the nine months of 2013 and previous year 2012, the Group sourced its major cash requirements from internally generated funds, subscription proceeds, disposal and sale of investment in associate and partly from borrowings.

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

TOP FIVE (5) KEY PERFORMANCE INDICATORS

For the nine-month period of 2013, the following are top key performance indicators of the Group:

1) **Increase in Real Estate Sales**

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

2) **Increase in Other Income**

   Other income derived from various source significantly contributed in generating revenues.

3) **Ability to repay loan obligations**

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

4) **Continuous development of projects**

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

5) **Landbanking**

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

Material Changes in the 2013 Interim Financial Statements
(Increase or decrease of 5% or more versus December 31, 2012)

Statements of Financial Position

- 62% decrease in Cash and cash equivalents
  Mainly due to construction related payments and acquisition of properties

- 9% increase in Trade and other receivables
  Due to increase in real estate sales

- 11% increase in Residential and condominium units for sale
  Due to ongoing construction and development activities

- 6% increase in Property development cost
  Due to ongoing construction and development activities

- 6% increase in Advances to related parties
  Mainly due to additional advances to associates

- 39% increase in Prepayments
  Mainly due to increase in prepaid taxes related to transfer of titles

- 48% increase in Other current assets
  Mainly attributed to input vat on various purchases and payments to contractors

- 7% increase in Land held for future development
  Mainly due to acquisition of properties

- 40% increase in Available-for-sale financial assets
  Primarily due to increase in fair market value of investment in securities held by a subsidiary

- 48% decrease in Investment in associates
  Due to sale of the company's stake in associate to its parent company

- 6% decrease in Investment properties
  Due to depreciation expense for the current year

- 38% decrease in Interest-bearing loans and borrowings
  Due to repayment of loans and borrowings

- 44% decrease in Trade and other payables
  Various payments to contractors and suppliers due to increasing construction activities

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

- 17% decrease in Deferred gross profit on real estate sales
  Primarily due to increase in completion of projects

- 13% increase in Customers' deposit
  Mainly due to increase in reservation sales and collection from various projects

- 41% decrease in Advances from related parties
  Due to payment of advances from associates

- 44% increase in Other current liabilities
  Due to increase in retention payables to suppliers and contractors

- 8% increase in Deferred tax liabilities
  Mainly due to increase in income subject to tax

Statements of Income

- 13% increase in Real estate sales
  Due to aggressive selling of projects

- 668% increase in Realized gross profit on prior years' sale
  Primarily due to increase in construction accomplishments of ongoing projects

- 19% decrease in Finance income
  Primarily due to varying payment terms of accounts under in-house financing

- 89% decrease in Equity in net earnings of associates
  Primarily due to sale of the Group's share of stock in an associate

- 18% increase in Commission and other income
  Mainly due to increase in other revenues derived from other related sources

- 40% decrease in Deferred gross profit on current year's sales
  Mainly due to construction accomplishments of ongoing projects

- 23% increase in Finance costs
  Mainly due to additional construction-related advances

- 12% increase in Operating expenses
  Primarily due to intensified selling and marketing activities and increase in administrative expenses

- 259% increase in Tax expense
  Mainly due to increase in taxable income

For the year 2013, the projected capital expenditures (construction and development) of roughly P4 billion is expected to be funded by collections, borrowings and equity financing.

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

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

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

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

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

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

Exhibit 7

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
As of September 30, 2013
Amounts in thousands

1) Aging of Accounts Receivable

Type of Receivables	Total	Current Not Yet Due	1 Month	2-3 Mos.	4-6 Mos.	Above 7 Mos.	1-2 Yrs	3-5 Yrs	5 Yrs - above	Past due accounts & Items in Litigation
a) Trade Receivables	3,174,357	3,168,267	4,742	1,110	238	-				-
b) Other Receivables	2,062,990	2,062,990	-	-	-	-				-
Net Receivables	**5,237,347**									

2) Accounts Receivable Description

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

3) Normal Operating Cycle: 3 to 15 years

EXHIBIT 8

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

	30-Sep-2013	31-Dec-2012
Current ratio	**3.68**	3.10
Quick ratio	**0.68**	0.79
Debt-to-equity ratio	**0.35**	0.44
Interest-bearing debt to total capitalization ratio	**0.01**	0.02
Asset-to-equity ratio	**1.36**	1.44
		30-Sep-2012
Interest rate coverage ratio	**336%**	250%
Net profit margin	**6.73%**	5.15%
Return on assets	**0.42%**	0.33%
Return on equity/investment	**0.53%**	0.44%
Return on equity/investment of owners	**0.54%**	0.48%

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

Current ratio - computed as current assets divided by current liabilities
Quick ratio - computed as cash, marketable securities, accounts receivable divided current liabilities

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

Debt-to-equity ratio-computed as total liabilities divided by total equity.
Interest-bearing debt to total capitalization ratio-computed as interest-bearing debt divided by interest-bearing debt plus total equity attributable to controlling interest.

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

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

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

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

PROFITABILITY RATIOS

Net profit margin - computed as net profit divided by total revenues
Return on assets - net profit divided by average total assets
Return on investment - net profit divided by total stockholders' equity
Return on investment of equity owners - net profit attributable to owners of the parent divided by equity attributable to owners of the parent company