

SEC Number: 031-050

File Number: _____

STA. LUCIA LAND, INC. AND SUBSIDIARIES

(Company's Full Name)

Penthouse Building 3, Sta. Lucia East Grand Mall,
Marcos Highway Cor. Imelda Ave., Cainta Rizal

(Company Address)

(632) 681-7332

(Telephone Number)

March 31, 2015

(Quarter Ended)

2015 1st Quarter Report – SEC Form 17-Q

(Form Type)

(Amendments)

**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 March 31, 2015
2. Commission identification number. 31050 3. BIR Tax Identification No. 000-152-291-000

STA. LUCIA LAND, INC. AND SUBSIDIARIES

4. Exact name of issuer as specified in its charter
Republic of the Philippines
5. Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: (SEC Use Only)

- Penthouse, Bldg. III, Sta. Lucia East Grand Mall, Marcos Highway cor. Imelda Ave., Cainta, Rizal 1900
7. Address of issuer's principal office Postal Code

- (02) 681-7332
8. Issuer's telephone number, including area code

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

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
<u>Common</u>	<u>10,796,450,000</u>

11. 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:

Philippine Stock Exchange Common

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 [x] No []

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

Yes [x] No []

TABLE OF CONTENTS

PART I: FINANCIAL INFORMATION

Item 1. Financial Statements

- Consolidated Statements of Financial Position as of March 31, 2015 and December 31, 2014
- Consolidated Statements of Comprehensive Income for the Three Months ended March 31, 2015 and March 31, 2014 and December 31, 2014
- Consolidated Statements of Changes in Stockholders' Equity for the Three Months ended March 31, 2015 and March 31, 2014
- Consolidated Statements of Cash Flows for the Three Months ended March 31, 2015 and March 31, 2014
- Notes to Financial Statements
 - Corporate Information
 - Summary of Accounting Policies
 - Aging of Receivables
 - Segment Information
 - Financial Instruments

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

- Result of Operations for the three months ended March 31, 2015
- Financial Condition
- Key Performance Indicators
- Material Change – Balance Sheet (March 31, 2015 versus December 31, 2014)
- Material Change – Income Statement (March 31, 2015 versus March 31, 2014)

PART II: OTHER INFORMATION

Item 3. 1st Quarter of 2015 Developments

Item 4. Other notes to Operations and Financials as of March 31, 2015

FINANCIAL RATIOS

SIGNATURES

PART I - FINANCIAL INFORMATION

ITEM 1: FINANCIAL STATEMENTS

STA. LUCIA LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

For the Three Months ended March 31, 2015 and December 31, 2014

	March 31	December 31
	2015 (Unaudited)	2014(Audited)
ASSETS		
Current Assets		
Cash	₱142,522,280	₱116,071,782
Receivables	2,000,201,870	2,086,579,200
Real estate inventories	8,062,796,837	7,967,316,512
Deposits on land purchase	—	—
Other current assets	1,848,316,864	1,610,740,816
Total Current Assets	12,053,837,851	11,780,708,310
Noncurrent Assets		
Noncurrent installment contracts receivables	719,771,625	510,146,024
Available for sale financial assets	697,493,350	729,933,085
Investment properties	4,728,187,834	4,760,314,588
Property and equipment	41,192,700	38,633,920
Other noncurrent assets	18,744,302	18,632,234
Total Noncurrent Assets	6,205,389,811	6,057,659,851
	₱18,259,227,662	₱17,838,368,161
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables	₱1,936,923,522	₱1,693,940,082
Loans payable	3,252,451,767	3,198,051,669
Customers' deposits	582,052,866	743,822,964
Income tax payable	47,909,422	29,044,281
Total Current Liabilities	5,819,337,577	5,664,858,996
Noncurrent Liabilities		
Pension Liability	1,987,500	1,987,500
Deferred tax liabilities - net	509,935,830	439,237,667
Total Noncurrent Liabilities	511,923,330	441,225,167
Total Liabilities	6,331,260,907	6,106,084,163
Equity		
Capital stock	10,796,450,000	10,796,450,000
Additional paid-in capital	192,053,636	192,053,636
Retained earnings	1,465,882,185	1,237,759,693
Treasury Shares	(900,000,000)	(900,000,000)
Unrealized gain on fair value of AFS	374,118,382	406,558,117
Remeasurement losses on pension liabilities	(537,448)	(537,448)
Total Equity	11,927,966,755	11,732,283,998
	₱18,259,227,662	₱17,838,368,161

STA. LUCIA LAND, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

For the Three Months ended March 31, 2015 and March 31, 2014 and December 31, 2014

	March 2015	March 2014	December 2014
REVENUE			
Real estate sales	₱614,370,007	₱425,134,017	₱1,445,350,119
Rental income	202,113,700	100,530,754	504,335,795
Interest income	19,015,408	13,548,334	83,443,459
Commission income	36,990,174	–	73,202,048
Construction income	–	–	28,036,774
Dividend income	–	–	5,673,449
Others	21,448,296	17,219,537	156,279,536
	893,937,585	556,432,642	2,296,321,180
COSTS AND EXPENSES			
Costs of real estate	262,252,929	103,019,784	761,459,659
Costs of rental income	126,582,752	27,022,925	248,841,127
Costs of construction	–	–	19,039,099
Interest expense	40,718,064	32,200,629	113,353,129
Depreciation and amortization	2,171,352	1,731,365	3,557,340
Commissions	69,404,489	81,903,660	199,603,673
Advertising	16,178,436	7,710,408	34,597,545
Taxes, licenses and fees	10,861,600	13,914,147	46,389,218
Salaries and wages	10,240,028	6,854,337	41,387,406
Professional fees	14,603,992	1,220,031	11,046,435
Representation	6,181,169	813,683	7,549,044
Utilities	3,381,565	845,114	3,926,680
Repairs and maintenance	699,792	518,588	1,753,347
Provision for doubtful account	–	–	–
Miscellaneous	5,617,468	10,767,895	20,100,950
	568,893,636	288,522,566	1,512,604,652
INCOME BEFORE INCOME TAX	325,043,949	267,910,076	783,716,528
PROVISION FOR INCOME TAX	96,921,457	82,738,411	234,969,242
NET INCOME	228,122,492	185,171,665	548,747,286
OTHER COMPREHENSIVE INCOME			
Unrealized gain for fair value of AFS	(32,439,735)	(54,998,476)	(623,265)
Remeasurement losses on pension liabilities	–	–	(238,095)
TOTAL COMPREHENSIVE INCOME	₱195,682,757	₱130,173,189	₱547,885,926
Basic/Diluted Earnings Per Share	₱0.027	₱0.017	₱0.070

STA. LUCIA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Three Months ended March 31, 2015 and March 31, 2014

	March 31	March 31
	2015	2014
CAPITAL STOCK		
Common shares - ₱1 par value		
Authorized - 16,000,000,000 shares		
Issued and outstanding – 10,796,450,000 shares	₱10,796,450,000	₱10,796,450,000
	10,796,450,000	10,796,450,000
ADDITIONAL PAID-IN CAPITAL	192,053,636	192,053,636
TREASURY SHARES	(900,000,000)	
RETAINED EARNINGS		
Balance at beginning of year	1,237,759,693	689,012,407
Net income	228,122,492	185,171,665
Balance at end of year	1,465,882,185	874,184,072
UNREALIZED GAIN ON FAIR VALUE OF AVAILABLE FOR SALE FINANCIAL ASSETS	374,118,382	352,182,906
REMEASUREMENT LOSSES ON PENSION LIABILITIES- NET OF TAX	(537,448)	(299,353)
	₱11,927,966,755	₱12,214,571,261

STA. LUCIA LAND, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the Three Months ended March 31, 2015 and March 31, 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱325,043,949	₱267,910,076
Adjustments for:		
Depreciation and amortization expense	36,827,616	28,754,290
Interest expense	40,718,064	32,200,629
Interest income	(19,015,408)	(13,548,334)
Operating income before changes in working capital	383,574,221	315,316,661
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Receivables	(439,407,001)	339,484,011
Real estate inventories	(338,591,660)	(315,349,156)
Due from related parties	(10,624,456)	(54,832,446)
Other current assets	232,157,838	(135,789,023)
Increase (decrease) in:		
Accounts and other payables	242,983,443	(296,402,471)
Customers' deposits	(73,310,322)	147,259,565
Net cash generated from (used in) operations	(3,217,937)	(312,859)
Interest paid	(40,718,064)	(32,200,629)
Interest received	19,015,408	13,548,334
Income taxes paid	—	—
Net cash provided by (used in) operating activities	(24,920,593)	(18,965,154)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Investment properties	(2,529,510)	—
Property and equipment	(387,428)	(10,707,738)
Other noncurrent assets	(112,068)	(522,230)
Net cash used in investing activities	(3,029,006)	(11,229,968)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans	250,000,000	145,000,000
Payment of loans	(195,599,903)	(115,191,103)
Net cash provided by financing activities	54,400,097	29,808,897
NET INCREASE (DECREASE) IN CASH	26,450,498	(386,225)
CASH AT BEGINNING OF YEAR	116,071,782	30,463,668
CASH AT END OF PERIOD	₱142,522,280	₱30,077,443

STA. LUCIA LAND, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Sta. Lucia Land, Inc. (the Parent Company) is a publicly-listed company incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on December 6, 1966 under the name Zipporah Mining and Industrial Corporation to engage in mining. On August 14, 1996, the Parent Company's Articles of Incorporation was amended to effect the following: (a) changing the corporate name to Zipporah Realty Holdings, Inc., and (b) transferring the original primary purpose to secondary purpose from being a mining firm to a real estate company, the primary purpose of which is to acquire by purchase, lease, donation, and to own, use, improve, develop and hold for investment, real estate of all kinds, improve, manage or dispose of buildings, houses, apartments and other structures of whatever kind, together with their appurtenances.

The registered office address and principal place of business of the Parent Company and its subsidiaries (collectively referred to as the Group) is at Penthouse, Bldg. 3, Sta. Lucia East Grand Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal.

The Group is 89.85% owned by Sta. Lucia Realty and Development Inc. (SLRDI or the Ultimate Parent Company).

On January 9, 2013, the Parent Company filed an application with SEC for the incorporation of one of its wholly owned subsidiary Sta. Lucia Homes, Inc. (SLHI), the primary purpose of which is to construct, develop, improve, mortgage, pledge and deal with residential structure for lot buyers of the Group. The Parent Company received an approval on February 20, 2013. On January 31, 2013, the Parent Company also filed an application with SEC for the incorporation of another wholly owned subsidiary Santalucia Ventures Inc. (SVI), whose primary purpose is to market, operate, manage, develop, improve, dispose, mortgage, pledge and deal with residential structure for lot buyers of the Group. Such application was approved by SEC on April 5, 2013.

2. Summary of Significant Accounting Policies

Basis of Preparation

The accompanying consolidated financial statements of the Group have been prepared using the historical cost basis, except for available-for-sale (AFS) financial assets that have been measured at fair value. The consolidated financial statements are presented in Philippine Peso (₱), which is also the Group's functional currency and all values are rounded to nearest Philippine peso except when otherwise indicated.

Statement of Compliance

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

Basis of Consolidation

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries, and the corresponding percentages of ownership of the Parent Company as at December 31:

	Principal activity	Effective percentage of ownership		
		Mar 2015	2014	2013
Sta. Lucia Homes, Inc. (SLHI)	Property development and construction	100	100	100
Santalucia Ventures Inc. (SVI)	Marketing and advertising	100	100	100

Subsidiaries are fully consolidated from the date of incorporation, being the date on which the Parent Company obtains control, and continues to be consolidated until the date that such control ceases. Control is achieved when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Parent Company controls an investee if, and only if, it has:

- a) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- b) Exposure, or rights, to variable returns from its involvement with the investee, and
- c) The ability to use its power over the investee to affect its returns

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company, using consistent accounting policies.

All intra-group balances and transactions, including income, expenses and dividends and gains and losses are eliminated in full.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Changes in Accounting Policies and Disclosures

The Group adopted the following new and amended PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations of International Financial Reporting Interpretations Committee (IFRIC)

which became effective January 1, 2014. Except as otherwise stated, adoption of these standards and interpretations did not have any significant impact on the accounting policies, financial position or performance of the Group.

The nature and the impact of each new standard and amendment are described below:

- **Investment Entities (Amendments to PFRS 10, *Consolidated Financial Statements*, PFRS 12, *Disclosure of Interests in Other Entities*, and PAS 27, *Separate Financial Statements*)**
These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under PFRS 10. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. The amendments must be applied retrospectively, subject to certain transition relief. These amendments have no impact to the Group since none of the entities within the Group qualifies to be an investment entity under PFRS 10.
- **PAS 32, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities* (Amendments)**
The amendments clarify the meaning of ‘currently has a legally enforceable right to set-off’ and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting and are applied retrospectively. These amendments have no impact on the Group’s financial position or performance.
- **PAS 39, *Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting* (Amendments)**
These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria and retrospective application is required. These amendments have no impact on the Group as the Group has no its derivatives during the current or prior periods.
- **PAS 36, *Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets* (Amendments)**
These amendments remove the unintended consequences of PFRS 13, Fair Value Measurement, on the disclosures required under PAS 36. In addition, these amendments require disclosure of the recoverable amounts for assets or cash-generating units (CGUs) for which impairment loss has been recognized or reversed during the period. The application of these amendments has no material impact on the disclosure in the Group’s financial statements.
- **IFRIC 21, *Levies***
IFRIC 21 clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be anticipated before the specified minimum threshold is reached. Retrospective application is required for IFRIC 21. This interpretation has no impact on the Group as it has applied the recognition principles under PAS 37, Provisions, Contingent Liabilities and Contingent Assets, consistent with the requirements of IFRIC 21 in prior years.

Annual Improvements to PFRSs (2010-2012 cycle)

In the 2010 - 2012 annual improvements cycle, seven amendments to six standards were issued, which included an amendment to PFRS 13, Fair Value Measurement. The amendment to PFRS 13 is effective immediately and it clarifies that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. This amendment has no impact on the Group.

Annual Improvements to PFRSs (2011-2013 cycle)

In the 2011 - 2013 annual improvements cycle, four amendments to four standards were issued, which included an amendment to PFRS 1, First-time Adoption of Philippine Financial Reporting Standards. The amendment to PFRS 1 is effective immediately. It clarifies that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first PFRS financial statements. This amendment has no impact on the Group as it is not a first time PFRS adopter.

Standards Issued But Not Yet Effective

The Group has not applied the following PFRS, PAS and Philippine Interpretations which are not yet effective as of December 31, 2014. This list consists of standards and interpretations issued, which the Group reasonably expects to be applicable at a future date. The Group intends to adopt those standards when they become effective.

- *PFRS 9, Financial Instruments - Classification and Measurement (2010 version)*
PFRS 9 (2010 version) reflects the first phase on the replacement of PAS 39 and applies to the classification and measurement of financial assets and liabilities as defined in PAS 39, Financial Instruments: Recognition and Measurement. PFRS 9 requires all financial assets to be measured at fair value at initial recognition. A debt financial asset may, if the fair value option (FVO) is not invoked, be subsequently measured at amortized cost if it is held within a business model that has the objective to hold the assets to collect the contractual cash flows and its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding. All other debt instruments are subsequently measured at fair value through profit or loss (FVPL). All equity financial assets are measured at fair value either through other comprehensive income (OCI) or profit or loss. Equity financial assets held for trading must be measured at fair value through profit or loss. For FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other PAS 39 classification and measurement requirements for financial liabilities have been carried forward into PFRS 9, including the embedded derivative separation rules and the criteria for using the FVO. The adoption of the first phase of PFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will potentially have no impact on the classification and measurement of financial liabilities.

PFRS 9 (2010 version) is effective for annual periods beginning on or after January 1, 2015. This mandatory adoption date was moved to January 1, 2018 when the final version of PFRS 9 was adopted by the Philippine Financial Reporting Standards Council (FRSC). Such adoption, however, is still for approval by the Board of Accountancy (BOA).

In compliance with SEC Memorandum Circular No. 3, series of 2012, the Group has conducted a study on the impact of an early adoption of PFRS 9. After a careful consideration of the results on the impact evaluation, the Group has decided not to early adopt PFRS 9 for its 2014 annual financial reporting. Therefore, these financial statements do not reflect the impact of said standard.

- *Philippine Interpretation IFRIC 15, Agreements for the Construction of Real Estate*
This interpretation covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. The SEC and the FRSC have deferred the effectivity of this interpretation until the final Revenue standard is issued by the International Accounting Standards Board (IASB) and an evaluation of the

requirements of the final Revenue standard against the practices of the Philippine real estate industry is completed.

The adoption of this interpretation may significantly affect the determination of the Group's revenue from real estate sales and the corresponding costs, and the related trade receivables, deferred tax liabilities and retained earnings accounts.

The following new standards and amendments issued by the IASB were already adopted by the FRSC but are still for approval by BOA:

Effective January 1, 2015

- *PAS 19, Employee Benefits - Defined Benefit Plans: Employee Contributions (Amendments)*
PAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognize such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. This amendment is effective for annual periods beginning on or after January 1, 2015. It is not expected that this amendment would be relevant to the Group since it has no defined benefit plans with contributions from employees or third parties.

Annual Improvements to PFRSs (2010-2012 cycle)

The Annual Improvements to PFRSs (2010-2012 cycle) are effective for annual periods beginning on or after January 1, 2015 and are not expected to have a material impact on the Group. They include:

- *PFRS 2, Share-based Payment - Definition of Vesting Condition*
This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:
 - A performance condition must contain a service condition
 - A performance target must be met while the counterparty is rendering service
 - A performance target may relate to the operations or activities of an entity, or to those of another entity in the same group
 - A performance condition may be a market or non-market condition
 - If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied.

This amendment does not apply to the Group as it has no share-based payments.

- *PFRS 3, Business Combinations - Accounting for Contingent Consideration in a Business Combination*
The amendment is applied prospectively for business combinations for which the acquisition date is on or after July 1, 2014. It clarifies that a contingent consideration that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of PAS 39, Financial Instruments: Recognition and Measurement. The Group shall consider this amendment for future business combinations.
- *PFRS 8, Operating Segments - Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets*

The amendments are applied retrospectively and clarify that:

- An entity must disclose the judgments made by management in applying the aggregation criteria in the standard, including a brief description of operating

segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'.

- The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

The amendments affect disclosures only and have no impact on the Group's financial position or performance.

- *PAS 16, Property, Plant and Equipment, and PAS 38, Intangible Assets - Revaluation Method - Proportionate Restatement of Accumulated Depreciation and Amortization*
The amendment is applied retrospectively and clarifies in PAS 16 and PAS 38 that the asset may be revalued by reference to the observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the asset.
- *PAS 24, Related Party Disclosures - Key Management Personnel*
The amendment is applied retrospectively and clarifies that a management entity, which is an entity that provides key management personnel services, is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

Annual Improvements to PFRSs (2011-2013 cycle)

The Annual Improvements to PFRSs (2011-2013 cycle) are effective for annual periods beginning on or after January 1, 2015 and are not expected to have a material impact on the Group. They include:

- *PFRS 3, Business Combinations - Scope Exceptions for Joint Arrangements*
The amendment is applied prospectively and clarifies the following regarding the scope exceptions within PFRS 3:
 - Joint arrangements, not just joint ventures, are outside the scope of PFRS 3.
 - This scope exception applies only to the accounting in the financial statements of the joint arrangement itself.
- *PFRS 13, Fair Value Measurement - Portfolio Exception*
The amendment is applied prospectively and clarifies that the portfolio exception in PFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of PAS 39.
- *PAS 40, Investment Property*
The amendment is applied prospectively and clarifies that PFRS 3, and not the description of ancillary services in PAS 40, is used to determine if the transaction is the purchase of an asset or business combination. The description of ancillary services in PAS 40 only differentiates between investment property and owner-occupied property (i.e., property, plant and equipment).

Effective January 1, 2016

- *PAS 16, Property, Plant and Equipment, and PAS 38, Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortization (Amendments)*
The amendments clarify the principle in PAS 16 and PAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortize intangible assets. The amendments

are effective prospectively for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Group given that the Group has not used a revenue-based method to depreciate its non-current assets.

- *PAS 16, Property, Plant and Equipment, and PAS 41, Agriculture - Bearer Plants (Amendments)*
The amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of PAS 41. Instead, PAS 16 will apply. After initial recognition, bearer plants will be measured under PAS 16 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of PAS 41 measured at fair value less costs to sell. For government grants related to bearer plants, PAS 20, Accounting for Government Grants and Disclosure of Government Assistance, will apply. The amendments are retrospectively effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Group as the Group does not have any bearer plants.
- *PAS 27, Separate Financial Statements - Equity Method in Separate Financial Statements (Amendments)*
The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying PFRS and electing to change to the equity method in its separate financial statements will have to apply that change retrospectively. For first-time adopters of PFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to PFRS. The amendments are effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments will not have any impact on the Group's financial statements.
- *PFRS 10, Consolidated Financial Statements and PAS 28, Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
These amendments address an acknowledged inconsistency between the requirements in PFRS 10 and those in PAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. These amendments are effective from annual periods beginning on or after January 1, 2016.
- *PFRS 11, Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations (Amendments)*
The amendments to PFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business must apply the relevant PFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to PFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively

effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Group.

- *PFRS 14, Regulatory Deferral Accounts*
PFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of PFRS. Entities that adopt PFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. PFRS 14 is effective for annual periods beginning on or after January 1, 2016. Since the Group is an existing PFRS preparer, this standard would not apply.

Annual Improvements to PFRSs (2012-2014 cycle)

The Annual Improvements to PFRSs (2012-2014 cycle) are effective for annual periods beginning on or after January 1, 2016 and are not expected to have a material impact on the Group. They include:

- *PFRS 5, Non-current Assets Held for Sale and Discontinued Operations - Changes in Methods of Disposal*
The amendment is applied prospectively and clarifies that changing from a disposal through sale to a disposal through distribution to owners and vice-versa should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in PFRS 5. The amendment also clarifies that changing the disposal method does not change the date of classification.
- *PFRS 7, Financial Instruments: Disclosures - Servicing Contracts*
PFRS 7 requires an entity to provide disclosures for any continuing involvement in a transferred asset that is derecognized in its entirety. The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance in PFRS 7 in order to assess whether the disclosures are required. The amendment is to be applied such that the assessment of which servicing contracts constitute continuing involvement will need to be done retrospectively. However, comparative disclosures are not required to be provided for any period beginning before the annual period in which the entity first applies the amendments.
- *PFRS 7 - Applicability of the Amendments to PFRS 7 to Condensed Interim Financial Statements*
This amendment is applied retrospectively and clarifies that the disclosures on offsetting of financial assets and financial liabilities are not required in the condensed interim financial report unless they provide a significant update to the information reported in the most recent annual report.
- *PAS 19, Employee Benefits - regional market issue regarding discount rate*
This amendment is applied prospectively and clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.
- *PAS 34, Interim Financial Reporting - disclosure of information 'elsewhere in the interim financial report'*

The amendment is applied retrospectively and clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report).

Effective January 1, 2018

- PFRS 9, *Financial Instruments - Hedge Accounting and amendments* to PFRS 9, PFRS 7 and PAS 39 (2013 version)

PFRS 9 (2013 version) already includes the third phase of the project to replace PAS 39 which pertains to hedge accounting. This version of PFRS 9 replaces the rules-based hedge accounting model of PAS 39 with a more principles-based approach. Changes include replacing the rules-based hedge effectiveness test with an objectives-based test that focuses on the economic relationship between the hedged item and the hedging instrument, and the effect of credit risk on that economic relationship; allowing risk components to be designated as the hedged item, not only for financial items but also for non-financial items, provided that the risk component is separately identifiable and reliably measurable; and allowing the time value of an option, the forward element of a forward contract and any foreign currency basis spread to be excluded from the designation of a derivative instrument as the hedging instrument and accounted for as costs of hedging. PFRS 9 also requires more extensive disclosures for hedge accounting.

PFRS 9 (2013 version) has no mandatory effective date. The mandatory effective date of January 1, 2018 was eventually set when the final version of PFRS 9 was adopted by the FRSC. The adoption of the final version of PFRS 9, however, is still for approval by BOA. The adoption of PFRS 9 is not expected to have any significant impact on the Group's financial statements.

- PFRS 9, *Financial Instruments* (2014 or final version)
In July 2014, the final version of PFRS 9, *Financial Instruments*, was issued. PFRS 9 reflects all phases of the financial instruments project and replaces PAS 39, *Financial Instruments: Recognition and Measurement*, and all previous versions of PFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. PFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of PFRS 9 is permitted if the date of initial application is before February 1, 2015.

The adoption of PFRS 9 is not expected to have any significant impact on the Group's financial statements.

The following new standard issued by the IASB has not yet been adopted by the FRSC:

- International Financial Reporting Standards (IFRS) 15, *Revenue from Contracts with Customers*
IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods

beginning on or after January 1, 2017 with early adoption permitted. The Group is engaged in selling activities of real estate projects while construction is in progress or even before it has started. The standard is expected to impact the revenue recognition on these pre-completed real estate sales whether revenue will be recognized at a point-in-time or over time. If there will be change in revenue recognition, this will also impact the corresponding costs, and the related trade receivables, deferred tax liabilities and retained earnings account.

4. Aging of Receivables

As of March 31, 2015(Unaudited)

	Neither Past		Past Due but not Impaired					Total	Impaired	Total
	Due nor	Impaired	1-30 days	31-60 days	61-90 days	91-120 days	>120 days			
Trade	₱ 1,848,095,347		₱2,736,405	₱2,808,903	₱2,277,412	₱7,417,913	₱59,839,837	₱75,080,470	₱-	₱1,923,175,817
Nontrade	796,797,678		-	-	-	-	-	-	-	796,797,678
Total	₱2,644,893,025		₱2,736,405	₱2,808,903	₱2,277,412	₱7,417,913	₱59,839,837	₱75,080,470	₱-	₱2,719,973,495

As of March 31, 2014 (Unaudited)

	Neither Past		Past Due but not Impaired					Total	Impaired	Total
	Due nor	Impaired	1-30 days	31-60 days	61-90 days	91-120 days	>120 days			
Trade	₱959,256,762		₱39,406,880	₱6,981,617	₱5,479,843	₱9,368,428	₱34,065,697	₱95,302,465	₱-	₱1,054,559,227
Nontrade	565,949,354		-	-	-	-	-	-	-	565,949,354
Total	₱1,525,206,116		₱39,406,880	₱6,981,617	₱5,479,843	₱9,368,428	₱34,065,697	₱95,302,465	₱-	₱1,620,508,581

5. Segment Information

The following tables regarding business segments present assets and liabilities as of March 31, 2015 and March 31, 2014 and revenue and income information for each of the two periods ended March 31, 2015 and March 31, 2014.

As of March 31, 2015 (Unaudited)

	Leasing	Residential Development	Total
Rental income	₱202,113,700	₱–	₱202,113,700
Depreciation	(2,171,352)	–	(2,171,352)
Cost of rental income	(126,582,752)	–	(126,582,752)
Real estate sales	–	651,360,181	651,360,181
Cost of real estate sales	–	(262,252,929)	(262,252,929)
Construction income	–	–	–
Cost of construction income	–	–	–
Segment profit	73,359,596	389,107,252	462,466,848
General and administrative expense	(2,735,550)	(128,815,521)	(131,551,071)
Interest income	–	19,015,408	19,015,408
Interest expense	–	(40,718,064)	(40,718,064)
Other income	–	21,448,296	21,448,296
Other expense	–	(5,617,468)	(5,617,468)
Provision for income tax	(21,187,214)	(75,734,243)	(96,921,457)
Net income	₱49,436,832	₱178,685,660	₱228,122,492
Segment assets	₱4,728,187,834	₱13,531,039,828	₱18,259,227,662
Segment liabilities	₱74,295,520	₱3,762,196,609	₱3,836,492,129
Accounts and other payables	–	1,936,923,525	1,936,923,525
Income tax payable	21,187,214	26,722,209	47,909,423
Deferred tax liability	271,345,990	238,589,840	509,935,830
Total liabilities	₱366,828,724	₱5,964,432,186	₱6,331,260,907

As of March 31, 2014 (Unaudited)

	Leasing	Residential Development	Total
Rental income	₱100,530,754	₱–	₱100,530,754
Depreciation	(27,022,925)	–	(27,022,925)
Cost of rental income	–	–	–
Real estate sales	–	425,134,017	425,134,017
Cost of real estate sales	–	–	–
		(103,019,784)	(103,019,784)
Construction income	–	–	–
Cost of construction income	–	–	–
Segment profit	73,507,829	322,114,233	395,622,062
General and administrative expense	(2,735,550)	(109,104,582)	(111,840,132)
Interest income	–	13,548,334	13,548,334
Interest expense	–	(32,200,629)	(32,200,629)
Other income	–	13,548,334	13,548,334
Other expense	–	(10,767,895)	(10,767,895)
Provision for income tax	(14,393,122)	(68,345,289)	(82,738,411)
Net income	₱56,379,157	₱128,792,506	₱185,171,663

Segment assets	₱4,389,404,576	₱11,636,629,697	₱16,026,034,273
Deposit on land purchase	598,574,775	760,111,594	1,358,686,369
Total segment assets	₱4,987,979,351	₱12,396,741,291	₱17,384,720,642
Segment liabilities	₱144,000,000	₱3,186,440,570	₱3,330,440,570
Accounts and other payables	–	1,436,358,031	1,436,358,031
Income tax payable	14,393,122	25,802,973	40,196,095
Deferred tax liability	174,191,489	188,963,196	363,154,685
Total liabilities	₱332,584,611	₱4,837,564,770	₱5,170,149,381

6. Financial Instruments

Fair Value Information

The methods and assumptions used by the Group in estimating fair value of the financial instruments are as follows:

Cash, receivable from related parties, accrued interest receivable, dividend receivable, accounts and other payables and loans payable - Carrying amounts approximate fair values due to the relatively short-term maturities of these financial instruments.

Noncurrent receivables - The fair values of real estate receivable are calculated by discounting expected future cash flows at applicable rates for similar instruments using the remaining terms of maturity.

AFS financial assets - Fair values are based on quoted prices published in markets.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As of March 31, 2015, the Company's AFS financial assets amounting to ₱697.49 million are carried at fair value based on Level 1. There were no transfers between and among levels 1, 2 and 3 in 2015 and 2014.

Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash, receivables, AFS financial assets and bank loans. The Company has other financial liabilities such as accounts and other payables which arise directly from the conduct of its operations.

Management closely monitors the cash fund and financial transactions of the Group. These strategies, to an extent, mitigate the Group's interest rate and credit risks.

Exposure to liquidity and credit risks arise in the normal course of the Group's business activities. The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The Group's financing and treasury function operates as a centralized service for managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Company.

Liquidity risk

The Group actively manages its liquidity position so as to ensure that all operating, investing and financing needs are met. In mitigating liquidity risk, management measures and forecasts its cash commitments, matches debt maturities with the assets being financed, maintains a diversity of funding sources with its unhampered access to bank financing and the capital markets. As part of the liquidity risk management, the Company currently transacts with local banks for an extension and negotiation of higher undrawn credit lines to meet the suppliers' and contractors' obligations and business expansion.

Through scenario analysis and contingency planning, the Group also assesses its ability to withstand both temporary and longer-term disruptions relative to its capacity to finance its activities and commitments in a timely manner and at reasonable cost, and ensures the availability of ample unused credit facilities as back-up liquidity.

Cash are maintained at a level that will enable it to fund its general and administrative expenses as well as to have additional funds as buffer for any opportunities or emergencies that may arise.

Credit risk

Financial assets comprise of cash on hand and in bank, trade receivable, interest receivable and AFS financial assets. The Company adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail in meeting their obligations. The Group's exposure to credit risk from cash on hand and in bank and AFS financial assets arise from the default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Real estate contracts

Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts. In addition, the credit risk for installment contracts receivables is mitigated as the Group has the right to cancel the sales contract without need for any court action and take possession of the subject lot in case of refusal by the buyer to pay on time the due installment contracts receivable. This risk is further mitigated because the corresponding title to the subdivision units sold under this arrangement is transferred to the buyers only upon full payment of the contract price.

Equity price risk

Equity price risk is the risk that the fair values of equities decrease as a result of changes in the levels of equity indices and the value of individual stocks. The Company manages the equity price risk through diversification and placing limits on equity instruments.

Interest rate risk

The Company's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Company's interest-bearing debt obligations with floating interest rate as it can cause a change in the amount of interest payments.

The Company manages its interest rate risk by leveraging on its premier credit rating and maintaining a debt portfolio mix of both fixed and floating interest rates. The portfolio mix is a function of historical, current trend and outlook of interest rates, volatility of short-term interest rates, the steepness of the yield curve, and degree of variability of cash flows.

ITEM 2: MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULT OF OPERATIONS

Result of Operations

(Three months ended March 31, 2015 compared to the Three Months ended March 31, 2014)

Revenue

A 61% overall increase in revenue was generated by Sta. Lucia Land, Inc. and Subsidiaries (Group) for the first three months in 2015 compared to last year's same period. A high of P894 Million totaled in revenue compared to last year's P556 Million. This showcases the Group's residential and condominium sales take up attributed to the increasing sales activities made on the past years evidenced by 45% increase in real estate sales amounted to P614 Million. Since the management has addressed the internal restructuring of the mall management, a 101% increase was posted in the first quarter of operations in terms of revenue. This stamps the Group's continuous engagement on new developments that will improve its revenue take up in the next periods to come.

Cost and Expense

Relative to the increase in sales, an increase to P159 Million of the Company's cost of sales was observed for the first three months of 2014 from P103 Million of the same period last year. An additional cost line item, cost of rental income, is observed amounting to P127 Million as a direct cost of the mall operations. Increase in commission was also imminent due to the increase in sales.

Comprehensive Income

For the first quarter of 2015, though a decrease in the bid price of the shares was observed which amounted to P32 Million, the Group still managed to increase its Comprehensive income from P130 Million to P196 Million.

Financial Condition

(Three months ended March 31, 2015 compared to year ended December 31, 2014)

Total Assets

Total assets increased for the period ending March 31, 2015 amounted to P18,259 Million, which shows a 2% increase from P17,838 Million of December 31, 2014. Increase in Installment Contract Receivables, Real Estate Inventory, Advances to Contractors and Prepaid Commissions contributed largely to the increase.

Total Liabilities

The Group's total liabilities is up by 4% from P6,106 Million of last year to P6,313 Million of this year due to the construction payables, additional availed term loans, deferred tax liabilities and income taxes payables posted.

Key Performance Indicators

	March 31, 2015	December 31, 2014
Current Ratio	2.08	2.08
Debt to Equity	.27	.28
Interest Coverage Ratio	798.28%	691.39%
Return on Asset	1.25%	3.08%
Return on Equity	1.91%	4.68%

*Notes to Key Performance Indicator:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans and income tax payables*).
2. Debt to Equity = Total debt over shareholder's equity.
3. Interest Coverage Ratio= Earnings before Income Tax over Interest Expense
4. Return on Asset = Net Income over Total Assets
5. Return on Equity = Net Income over shareholder's equity.

Material Changes in the Balance Sheet (+/- 5%) as of March 31, 2015 versus the Balance Sheet as of December 31, 2014

87% increase in cash

This was primarily due to the operations of the Group on real estate sales and mall management.

9% decrease in current receivables

This was primarily due to the increase in long term receivable contract with the new sales take up for the period.

25% increase in other current assets

The increase primarily was due to the increase in commission advances and prepayments to contractors.

36% increase in Non-current installment contract receivables

Corresponds to the new mix of buyers opting longer payment schemes.

11% increase in property and equipment

Mainly due to the additional acquisition of new office and transportation equipments.

16% increase in accounts and other payables

This increase corresponds to the continuous development of projects by the Group which will incur construction costs.

24% decrease in customer's deposit

Though there were increase in new reservations applications and collections under down payment period, the recognition of new sales in the period caused the decrease.

88% increase in income tax payable

Primarily due to results of operations in the first quarter of the year and payment for 2014 year end income tax was made in the second quarter of the year.

24% increase in deferred tax liabilities

Primarily due to results of operations in the first quarter of the year that resulted to a deferral of tax.

36% increase in retained earnings

The increase was mainly due to the net income recognized for the period.

8% decrease in unrealized fair market value of AFS

The decrease was mainly due to the said decrease in AFS investment value of the Company.

Material Changes in the Income Statement (+/-5% and >P10M) for the Three-Month Period Ended March 31, 2015 versus the Income Statement for the Three-Month Period Ended March 31, 2014**45% increase in Real Estate Sales**

The effect of longer downpayment schemes on sales of previous years was reflected in the books this period hence the increase in real estate sales.

101% increase in Rental Income

Due to the change in internal operations of the Company whereby a management services agreement was executed in place of the lease agreement.

100% increase in Commission Income

This is due to the commission generated by the Group from the sale of certain projects tied up with the parent.

40% increase in interest income

Increase in collection of interest income for the period.

25% increase in other income

Primarily due to the continuous increase in revenue other than its real estate sales such as booking of surcharges/penalties, processing fees and other services.

155% increase in cost of real estate sales

This is primarily attributable to the adjustment of costs per square meter by the Group to cope up with inflation.

368% increase in cost of rental income

A change in accounting of mall income as the Company whereby a management services agreement was executed in place of the lease agreement.

15% decrease in Commission

Due to varying percentage of commission was given on the marketing companies and broker depending the type of the project.

92% decrease in depreciation

Mainly due to the change in presentation of depreciation for the investment properties booked at cost of rental income.

26% increase in interest expense

Due to the additional loan availments made by Company during the period.

110% increase in advertising

Due to the aggressive selling and marketing activities of the Group.

1097% increase in professional fee

A management expense was booked by the Company for the services of the party managing the mall operations.

660% increase in representation

Mainly due to the expansion activities of the Company

PART II – OTHER INFORMATION

Item 3: 1st Quarter of 2015 Developments

No additional subscription was made by the Company nor was any merger executed.

A. Composition of Board of Directors

Vicente R. Santos	Chairman
Exequiel D. Robles	President
Mariza Santos-Tan	Treasurer
Aurora D. Robles	Assistant Treasurer
Antonio D. Robles	Director
Orestes R. Santos	Director
Santiago Cua	Director
Jose Ferdinand R. Guiang	Independent Director
Osmundo De Guzman, Jr.	Independent Director

B. Performance of the corporation or result/progress of operations.

Please see the unaudited Financial Statements and Management's Discussion and Analysis (MD&A) on result of operation with regards to the performance of the corporation or result/process of operations.

C. Declaration of Dividends.

None

D. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements.

None

E. Offering of rights, granting of Stock Options and corresponding plans thereof.

None

- F. Acquisition of additional mining claims or other capital assets or patents, formula, real estate.
Not Applicable
- G. Other information, material events or happenings that may have affected or may affect market price of security.
None
- H. Transferring of assets, except in normal course of business.
None

Item 4: Other notes to Operations and Financials as of March 31, 2015

- I. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents
None
- J. Nature and amount of change in estimates of amounts reported in prior periods and their material effect in the current period.
There were no changes in estimates of amounts reported in prior interim period or prior financial years that have a material effect in the current interim period.
- K. New financing through loans/ issuances, repurchases and repayments of debt and equity securities.
Availment of additional loans
- L. All Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.
There were no material events subsequent to the end of the interim period that has not been reflected in the financial statements for the period covered.
- M. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long term investment restructurings, and discontinuing operations.
None
- N. Changes in contingent liabilities or contingent assets since the last annual balance sheet date.
None
- O. Existence of material contingencies and other material events or transactions during the interim period.
None
- P. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
None
- Q. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations) , and other relationships of the company with unconsolidated entities or others persons created during the reporting period.
None

- R. Material commitments for capital expenditures, general purpose and expected sources of funds.
None
- S. Known trends, events or uncertainties that have had or that are reasonably expected to have impact on sales/revenues/income from continuing operations.
None
- T. Significant elements of income or loss that did not arise from continuing operations.
None
- U. Causes for any material change/s from period to period in one or more line items of the financial statements.
See Management Discussion & Analysis portion of the quarter report
- V. Seasonal aspects that had material effect on the financial condition or results of operations.
None
- W. Disclosures not made under SEC Form 17-C
None

STA. LUCIA LAND, INC. AND SUBSIDIARIES**FINANCIAL RATIOS**

As of March 31, 2015

	March 31, 2015	December 31, 2014
Current Ratio	2.08	2.08
Debt to Equity	.27	.28
Interest Coverage Ratio	798.28%	691.39%
Return on Asset	1.25%	3.08%
Return on Equity	1.91%	4.68%

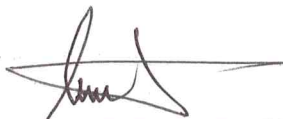
SIGNATURES

Pursuant to the Requirements of the Revised Securities Act, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

STA. LUCIA LAND, INC.
Issuer



VICENTE R. SANTOS
Chairman
Date: May 12, 2015



EXEQUIEL D. ROBLES
President
Date: May 12, 2015



MARIZA R. SANTOS-TAN
Treasurer
Date: May 12, 2015