Revenue up by 20%  
Profit before tax up by 15%  

**Summary of Strategic Income for the Half Year Ended 31 December 2016**

- **Main results**
  - Revenue up by 20% from P254,469,192 to P304,478,301.
  - Profit before tax increased by 15% to P135,903,613.
  - Net profit before tax up by 18%.  

- **Revenue drivers**
  - Residential: Growth in revenue from the newly acquired residential property which is a first time rental income contributor.
  - Retail: Contribution to the said yield. Effective void management resulted in the successful leasing of the investment properties.

- **Balance at 31 December 2016**
  - Total current assets: P716,436,043
  - Total equity and liabilities: P1,352,354,361

- **Growth in revenue**
  - Revenue up by 20% relative to prior year, and a 15% increase in net profit before tax.

- **Dividend and debenture**
  - Dividend declared per linked unit: P0.135
  - Dividend declared per debenture: P0.0005

**SEGMENTAL REPORTING**

- **Profit before income tax**
  - Commercial: P137,057,630
  - Leal: P1,076,937
  - Industrial: P135,514,613
  - Total: P135,903,613

- **Net profit before tax**
  - Commercial: P137,057,630
  - Leal: P1,076,937
  - Industrial: P135,514,613
  - Total: P135,903,613

**COMMENTARY**

1. Operational Overview

LLR has continued to focus on growing its rental income from its diversified property portfolio, which includes commercial, industrial and residential properties.

2. Financial Performance

- **Revenue**
  - Up by 20% from P254,469,192 to P304,478,301.

- **Profit before income tax**
  - Up by 15% from P137,057,630 to P135,903,613.

3. Divestments

- **Dividends declared**
  - Commercial: P137,057,630
  - Industrial: P135,514,613
  - Leal: P1,076,937

4. Governance

- **Board and committees**
  - The board of directors reviews the business of the company with integrity and adheres to generally accepted practices and adheres internationally accepted principles of Corporate Governance and public responsibility.

5. Capital Commitments and Contingent Liabilities

- **Capital commitments**
  - Deferred tax at 31 December 2016: P38,629,072

**Property Portfolio Information**

- **Occupancy rates**
  - Commercial: 78.4%
  - Industrial: 74.7%
  - Leisure: 95.7%

- **Occupied area**
  - Commercial: 1,718,969 m²
  - Industrial: 71,106 m²
  - Leisure: 7,262,547 m²

**Property Portfolio Portfolio by Sector (By Value)**

- **Commercial**
  - Value: P151,622,142

- **Industrial**
  - Value: P42,814,603

- **Leisure**
  - Value: P394,778,538

**ABRASIVE STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2016**

- **Cash flows from operating activities**
  - Profit before income tax: P137,057,630
  - Property operating expenses: P24,823,459
  - Depreciation expense: P1,059,753
  - Property operating expenses: P1,059,753
  - Net profit before tax: P135,903,613

- **Net cash used in financing activities**
  - Dividends paid: P25,748,762
  - Borrowings: P25,748,762
  - Net cash used in financing activities: P0

**ASSETS**

- **Debtors**
  - 31 December 2016: P38,470,395
  - 30 June 2016: P34,589,595

**CURRENT ASSETS**

- **Trade and other payables**
  - 31 December 2016: P5,582,788
  - 30 June 2016: P5,582,788

- **Deferred taxation**
  - 31 December 2016: P662,301,623
  - 30 June 2016: P62,863,560

**CAPITAL AND RESERVES**

- **Share capital**
  - 31 December 2016: P12,193,000
  - 30 June 2016: P12,193,000

**EQUITY AND LIABILITIES**

- **Total current assets**
  - 31 December 2016: P1,317,206,993
  - 30 June 2016: P1,110,616,777

**INCOME F0R THE HALF YEAR ENDED DECEMBER**

- **Income before tax**
  - P135,903,613

- **Profit before tax**
  - P135,903,613

- **Net profit before tax**
  - P135,903,613

**DEBTORSTATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016**

- **Trade and other payables**
  - 31 December 2016: P5,582,788
  - 30 June 2016: P5,582,788

- **Deferred taxation**
  - 31 December 2016: P662,301,623
  - 30 June 2016: P62,863,560

**SEGMENTAL STATEMENT OF FINANCIAL POSITION**

- **Commercial**
  - P12,193,000
  - P12,193,000

- **Industrial**
  - P12,193,000
  - P12,193,000

- **Leisure**
  - P12,193,000
  - P12,193,000

- **Total**
  - P254,469,192
  - P254,469,192