CENTURY
PROPERTIES GROUP, INC.

16 April 2012

THE PHILIPPINE STOCK EXCHANGE, INC.
PSE Center,
Exchange Road, Ortigas Center
Pasig City

Attention: **MS. JANET A. ENCARNACION**
Head, Disclosure Group

Gentlemen:

Attached please find the Amended SEC Form 17-A amending the notes to financials indicating subsequent event of the Dividend declaration of Century Properties Group Inc.

Thank you.

Very truly yours,

NEKO LYREE USON -CRUZ
CIO

COVER SHEET

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S.E.C. Registration Number

C E N T U R Y P R O P E R T I E S G R O U P
I N C .

(FORMERLY EAST ASIA POWER RESOURCES CORPORATION)

(Company's Full Name)

21st FLOOR, PACIFIC STAR BUILDING, SEN. GIL PUYAT CORNER MAKATI AVE., MAKATI CITY

(Business Address: No. Street City / Town / Province)

Neko Iyree Uson -Cruz
Contact Person

(632) 7935520
Company Telephone Number

SEC FORM -17 A - Amended
Annual Report with Audited 2011 Consolidated F/S

1 2 3 1
Month Day
Fiscal Year

FORM TYPE

0 6 2 7
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

**ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the fiscal year ended: **December 31, 2011**

2. SEC Identification Number: **60566**

3. BIR Tax Identification No.: **004-504-281-000**

4. Exact name of issuer as specified in its charter:

CENTURY PROPERTIES GROUP INC.

5. Province, Country or other jurisdiction of incorporation or organization: **Philippines**

6. Industry Classification C (SEC Use Only)

7. Address of principal office/Postal Code: **21ST Floor, Pacific Star Building, Sen Gil Puyat Avenue corner Makati Avenue, Makati City**

8. Issuer's telephone number, including area code: **(632) 7935500**

9. Former name, former address, and former fiscal year, if changed since last report: **Ground Floor, Philippine Fisheries Development Authority, PFDA Building, Navotas Fishport Comple, Navotas City**

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

Each Class	No of Shares of Common Stock Outstanding as Issued of December 31, 2011
COMMON (12/31/2011)	**7,566,391,027 shares of stock**

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

Yes [**X**] 3,554,720,004 common shares No [ ]

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange, Inc. **Common Shares**

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC 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 that 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 [ ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant.

₱442,533,308.8 million as of December 2011; ₱3,839,019,212 billion as of March 31, 2012

APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes [x] No [ ]

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

Consolidated Financial Statements as of and for year ended December 31, 2011
(incorporated as reference for Item 7 to 12 of SEC Form 17-A)

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PART I. BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

1.1 OVERVIEW

Century Properties Group, Incorporated, formerly East Asia Power Resources Corporation ("EAPRC"), ("CPGI" or the "Company" or "Century") was originally incorporated on March 23, 1975 as Northwest Holdings and Resources Corporation. In September 26, 2011, the Board of Directors of CPGI approved the change in the Company's corporate name to its present name, as well as the change in its primary business purpose from power generation to that of a holding company and real estate business. Between May and November 2011, Century Properties Inc ("CPI" or "Parent Company") entered into a series of transactions with EAPRC, a corporation organized under the laws of the Philippines and listed on the Philippine Stock Exchange, whereby, among other things, CPI acquired 96.99% of EAPRC's Common Shares and EAPRC acquired all of the subsidiaries of CPI.

Century is one of the leading real estate companies in the Philippines with over 26 years of experience. Currently, the Company has four subsidiaries namely Century City Development Corporation, Century Limitless Corporation, Century Communities Corporation, and Century Properties Management (collectively known as the "Subsidiaries"). Through its Subsidiaries, Century develops, markets and sells residential, office, medical and retail properties in the Philippines, as well as manages residential and commercial properties in the Philippines.

As of December 31, 2011, the Company completed 20 condominium and commercial buildings (4,128 units) with a total GFA of 548,262 sq.m. The roster of noteworthy developments include the award-winning Essensa East Forbes ("Essensa") in Fort Bonifacio, South of Market ("SOMA") in Fort Bonifacio, SOHO Central in the Greenfield District of Mandaluyong City, Pacific Place in Ortigas and a collection of French-inspired condominiums in Makati City called Le Triomphe, Le Domaine and Le Metropole.

Currently, the Company is developing four master-planned communities that is expected to have 23 condominium and commercial buildings with approximately 14,748 condominium and commercial units and 955 single detached homes, with a total expected GFA of 1,185,024 sq.m.

The Company's land bank for future development consists of properties in Quezon City and Batangas that cover a site area of 1,966,865 sq.m.

The Company, through Century Properties Management, Inc. ("CPMI") also engages in a wide range of property management services, from facilities management and auction services, to lease and secondary sales. Through CPMI, the Company endeavors to ensure the properties it manages maintain and improve their asset value, and are safe and secure. CPMI currently manages 51 projects with total GFA of 2,192,338 sq.m., and 80% of the projects CPMI manages were developed by third-parties. Notable third-party developed projects under management include the Asian Development Bank in Ortigas, BPI Buendia Center in Makati City, Philippine National Bank Financial Center in Pasay City, Pacific Star Building in Makati City, Makati Medical Center in Makati City and three Globe Telecom buildings in Cebu, Mandaluyong and Makati City, respectively.

Century's aim is to enhance the overall quality of life for Filipinos and foreign nationals by providing distinctive, high-quality and affordable properties. Century focuses on differentiation to drive demand, increase our margins and grow market share. In particular, Century identifies what the Company believes are the best global residential standards and adopts them to the Filipino market. CPGI believes that it has earned a reputation for pioneering new housing concepts in the Philippines. One of Century's significant contributions is the Fully-Fitted and Fully-Furnished ("FF/FF") concept, which is now an industry standard in the Philippines. We also employ a branding strategy that focuses on strategic arrangements with key global franchises to help capture and sustain consumers' awareness. To date, CPGI has entered into agreements with Gianni Versace S.P.A., Donald Trump (through the Trump Organization) , Paris Hilton, and Missoni Homes, among others.

Century has marketed and sold to clients in more than 50 countries and, as a result, a significant portion of its residential properties are sold to Filipinos living abroad. International pre-sales accounted for approximately two-thirds of the total pre-sales, in terms of value, for each of the last three years. CPGI conduct its sales and marketing through the Company's extensive domestic and international network of 2,842 agents and brokers as of December 31, 2011.

For 2009, 2010 and 2011, our revenue was P2,273.3 million, P3,071.6 million and P4,702.1 million, respectively, and our net income was P691.7 million, P179.6 million and P 866.2 million, respectively. As of December 31, 2011, we had total assets of P10,029.3million, and total equity of P4,331.7million.

1.2 RECENT TRANSACTIONS

On February 20, 2012, CPI closed on a Placing and Subscription Transaction wherein it sold 1,333,333,000 shares of stock in CPGI to new investors ("Placing Tranche") at a price of P1.75 per share. Concurrently, it used the gross proceeds from the Placing Tranche, totaling Two Billion Three Hundred Thirty-Three Million, Three Hundred Thirty-Two Thousand Seven Hundred Fifty (Php2,333,332,750) to re-subscribe to new 1,333,333,000 shares of stock in CPGI ("Subscription Tranche").

Additionally, the Company, together with CPI and APG Strategic Real Estate Pool N.V. (APG), a Netherlands-based pension firm, entered into a Purchase Agreement wherein CPI sold its 868,316,042 CPGI shares of stock in favor of APG. This transaction was pursuant to the convertible bond issued by CPI to APG in January 2011. Instead of converting the convertible bond into shares of CPI, APG and CPI entered into a Purchase Agreement under which APG purchased the convertible bond from CPI. The consideration consists of (i) 868,316,042 CPGI shares owned by CPI and (ii) cash consideration. As a result of such transaction, CPI retired the convertible bond concurrently with the sale of the CPGI shares to APG.

As a result of the Placing and Subscription Transaction and APG's acquisition of 868,316,042 shares of stock, the Company's public float increased from 3.0% to 27.3%. Out of the 27.3% public shares, 9.75% is beneficially owned by APG.

1.3 SUBSIDIARIES

Below is the Company's percentage of ownership in its Subsidiaries as of the filing of this report.

	Percentage of Ownership as of the Filing of the Report	
	Direct	Indirect
Century Communities Corporation (CCC)	100	–
Century City Development Corporation (CCDC)	100	-
Century Limitless Corporation (CLC)	100	-
Century Properties Management Inc. (CPMI)	80	–

CPGI conducts its operations through four Subsidiaries, Century Communities Corporation ("CCC"), Century Properties Management, Inc. ("CPMI"), Century City Development Corporation ("CCDC") and Century Limitless Corporation ("CLC").

Century Communities Corporation

CCC, incorporated in 1994, is focused on horizontal house and lot developments. From the conceptualization to the sellout of a project, CCC provides experienced specialists who develop and execute the right strategy to successfully market a project. CCC is currently developing Canyon Ranch, a 25-hectare house and lot development located in Carmona, Cavite.

Century City Development Corporation

CCDC, incorporated in 2006, is focused on developing mixed-use communities that contain residences, office and retail properties. CCDC is currently developing Century City, a 3.4-hectare mixed-use development along Kalayaan Avenue in Makati City.

Century Limitless Corporation

CLC, incorporated in 2008, is Century's newest brand category that focuses on developing high-quality, affordable residential projects. Projects under CLC will cater to first-time home buyers, startup families and investors seeking safe, secure and convenient homes.

Century Properties Management, Inc.

CPMI, incorporated in 1989, is one of the largest property management companies in the Philippines, as measured by total gross floor area under management. CPMI currently has 51 projects in its portfolio, covering a total gross floor area of 2,192,338 million sq.m. CPMI has been awarded 18 safety and security distinctions from the Safety Organization of the Philippines.

1.4 OPERATIONS

Employees

CPGI and its Subsidiaries have 791 employees as of December 31, 2010 and 921 employees as of December 31, 2011. The Company's employees are primarily engaged in construction and property management. CPGI utilizes the services of CPI's employees for substantially all of its development operations as well as for its sales and marketing. CPGI also utilize CPI's local and international marketing and distribution network, which consists of 887 exclusive agents who receive monthly allowances and commissions, 1,410 exclusive commission-based agents and 545 non-exclusive commission-based brokers as of December 31, 2011. CPGI and CPI have entered into an Expense Allocation Agreement pursuant to which the Company pays the costs of such services and record such costs in the Company's general, administrative and selling expenses. As soon as reasonably practicable, CPGI intends to migrate the employees of CPI to become CPGI's employees and migrate CPGI's construction employees to Century Project Management and Construction Corporation ("CPMCC"), the company exclusively charged with managing the construction projects for our vertical developments. The following table shows the distribution of its employees across its core function areas:

	As of December 31,	
	2010	2011
Development operations[1]	172	241
Sales and marketing[1]	10	12
Construction	306	427
Property management	303	241
Total	**791**	**921**

Land Acquisition

The Company sources land for development through joint venture agreements with land owners, or through direct purchases. Direct purchases can either be paid for in cash or on an installment basis. The land acquisition process consists of three main steps: identifying, assessing and executing.

First, the Company identifies land with a focus on Metro Manila. During this time, the Company checks the title of the property to ensure there are no encumbrances that will prevent development. Zoning and floor to area considerations are also examined at this stage. The sources of land in the Philippines include privately owned undeveloped property, government owned property, foreclosed bank assets and redevelopment of existing properties as certain industries migrate outside of Metro Manila.

Second, the Company assesses the physical and financial suitability of the land. The land must be topographically amenable to condominium or house and lot developments. The Company also analyzes the macro demand and competing developments to develop a marketing plan for the project, as well as run pro forma cash flows and profit and loss statements for the project.

Third, the Executive Committee of CPGI approves the project internally and commences with the acquisition of the land.

The Company has historically entered into joint venture agreements with land owners, including commercial banks, for several of our development projects. By entering into these types of joint venture agreements, the Company foregoes spending a large sum of capital on land acquisition and can therefore increase its return on equity. Historically, Century has not experienced material difficulties in finding joint venture partners to supply land and currently does not expect to experience difficulties in the future. The Company believes in their track record as an innovative and reputable property developer giving its joint venture partners confidence that their project will be handled successfully. Further, the Company believes there is an abundant supply of land owners in the Philippines who wish to develop their land but who may not have the resources, both financial and expertise, to do so.

The Company's joint venture arrangements typically require the joint venture partner to contribute the land to the project, while Century bears all costs relating to land development and the construction of the planned property. The joint venture agreement also stipulates the allocation of interest in the property sales in accordance with our respective joint venture interests.

The joint venture agreements specify the allocation of sales and marketing expenses between the Company and the joint venture partner. However, the Company is responsible for organizing and conducting actual sales and marketing activities.

CPGI requires its joint venture partners to warrant their title over the land and, if necessary, to clear the land of tenants and informal occupants before the Company commences development work on the land.

Project Design

The project design process involves the planning of the potential project, including determination as to the suitable market segment, master planning, design of property and landscape design. Development timetables vary from project to project, as each project differs in scale and design. Typically, project planning begins after land acquisition and takes at least nine months, during which time CPGI prepares both the master plan for the entire project (which can take several months and may be revised over the course of the project) and detailed plans for each project phase.

The Company utilizes its in-house design capabilities and market research data to plan developments as often as possible. Aside from determining the feasibility of a project, the objective of the study is to determine the property type to develop (i.e., residential, office, retail, medical, etc.). The Company believes that its expertise in, and innovative approach to, residential real estate development allows it to reduce costs, maintain competitive prices, create distinctive properties and increase sales. From time to time, the Company hires highly-regarded third-parties to design and plan projects. The work performed by these third-parties must comply with specifications that Century provides and, in all cases, their work is subject to Century's final review and approval. In particular, the Company hires third-parties, including international firms, to design projects which are complex and require specific technical expertise and to design specific high-end projects.

Congruent with Century's overall strategy of creating distinctive developments, the Company also develops and implements specific design parameters for its projects. This helps Century market each project based on a particular design aesthetic and its own unique characteristic and personality.

Project Development And Construction

Project development and construction involves obtaining the required Government regulatory approvals and executing upon the Company's plans. Typically, once the Company has completed the project planning phase, it obtains the necessary Government approvals and permits to conduct pre-marketing activities. For residential projects, once the project has received a development permit from the relevant local government unit or the HLURB, as the case may be, and a permit to sell from the latter, pre-sales of the residential unit can, and initial development work on the project site may commence. Before the site development process can begin, the Company must also obtain clearances from various Government departments, principally the DENR and the Department of Agrarian Reform ("DAR"), as well as the local government.

The Company finances the development of projects through a combination of pre-sales (primarily for residential projects) and internally-generated funds. Century also routinely obtains project financing loans from financial institutions. CPGI expects this financing model to continue going forward.

Project development and construction work for the vertical projects is primarily conducted by CPMCC, which is owned and managed by Mr. Ricardo P. Cuerva, who is one of Century's Directors and, together with members of his family, a beneficial shareholder of the Parent Company, CPI. CPMCC enters into a construction management agreement with the relevant CPGI subsidiary for each project, and Mr. Cuerva functions as a construction manager by subcontracting specialty services to third parties to ensure that prices are competitive, managing construction laborers, and procuring raw and finishing materials for the project directly from suppliers to minimize costs.

Marketing And Sales

The Company utilizes CPI's local and international marketing network and believes it is one of the most active industry players when it comes to sales and marketing. CPI's local and international marketing and distribution network consists of 887 exclusive agents who receive monthly allowances and commissions, 1,410 exclusive commission-based agents and 545 non-exclusive commission-based brokers as of December 31, 2011.

The Company believes that the members of the sales and marketing team receive a very competitive remuneration package and commission incentives. CPGI maintains an office in Singapore and the Parent maintains an office in Italy and has collaborations with various selling partners in the United States, Canada, the United Kingdom, France, Germany, Ireland, Italy, the United Arab Emirates, Bahrain, China, Brunei, Australia, Malaysia and Singapore in response to the ever-growing demand of its international clients. In recent periods, a significant percentage of CPGI's revenue has been attributable to OFWs, expatriate Filipinos and other overseas buyers.

The Company's advertising and promotional campaigns include the use of show rooms, print and outdoor advertising, fliers, leaflets and brochures designed specifically for the particular target market. The advertising and promotional campaigns are carefully conceptualized and managed by Century's Corporate Communications

Department. The Company uses strategic partnerships with prominent international brands and local and international celebrities to attract interest in our properties. In addition, CPGI also uses non-traditional marketing efforts such as sponsorship of conventions and other events and corporate presentations. Furthermore, the Company partners with local TV stations and local artists to further increase brand awareness.

Sales And Customer Financing

CPGI normally conduct pre-selling of its property units prior to both construction and project completion. Customers generally start with the payment of non-refundable, non-transferable pre-sale fee that is valid for 30 calendar days from the date of payment. Within this period, the customer is required submit the complete post-dated checks covering the monthly amortizations and the final turnover balance.

Notwithstanding certain buyers who opt to pay the purchase price in full and in cash, CPGI requires 20% to 60% of the total purchase price to be paid during the construction stage, which is between three to five years. On the turnover date, the buyers would have fully paid the required 20% to 60% of the total purchase price, and would be required to either pay the balance in cash or apply for a bank-financed loan. CPGI assist qualified homebuyers in obtaining mortgage financing from government-sponsored mortgage lenders and from commercial banks.

Sales Cancellations

Default and cancellations are subject to a variety of circumstances beyond the Company's control, such as adverse economic and market conditions as well as increase in interest rates. The Company has not encountered material losses resulting from breaches of buyers' purchase agreements.

After Sales Services

CPGI provides maintenance services through its subsidiary CPMI on projects that are fully turned over to the owners. The Company believes that CPMI's management of the completed projects increases their asset value.

The Company obtains feedback from the unit owners in order to provide quality home dwelling units in the future and to enhance long-term relationships with them. Finally, the Company has an in-house leasing department to handle the leasing and re-sale needs of its clients.

Insurance

The Company believes that it has sufficient insurance coverage that is required by Philippine regulations for real and personal property. Subject to customary deductibles and exclusions, CPGI's insurance policies include coverage for, among other things, building and improvements, machinery and equipment, furniture, fixtures and fittings against damage from fire and natural perils, machinery breakdown, third-party liability to the public and construction works. CPGI is not covered by business interruption insurance.

Competition

The Philippine real estate development industry is highly competitive. CPGI's primary competitors are real estate companies that also focus on developing residential and commercial buildings in the Philippines. Century believes that customers choose among competing real estate companies based on design, amenities, price, location, developer reputation, quality of finishes, after-sales support services, unit sizes, monthly amortization and financing terms. Century's competitors vary depending on the target market. The main competitors are Ayala Land, Inc., DMCI Homes, Filinvest Land Inc., Megaworld Corp., Robinson Land Corp., Rockwell Land Corporation, SM Development Corp. and Vista Land & Lifescapes, Inc.

1.5 REGULATIONS

Housing And Land Projects

PD 957 and BP 220 are the principal statutes that regulate the development and sale of real property as part of a condominium project or subdivision. PD 957 and BP 220 cover subdivision projects for residential, commercial, industrial or recreational purposes and condominium projects for residential or commercial purposes. The HLURB is the administrative agency of the Government which, together with local government units, enforces these statutes and has jurisdiction to regulate the real estate trade and business.

Real Estate Sales On Installments

The Maceda Law applies to all transactions or contracts involving the sale or financing of real estate on installment payments (including residential condominium units but excluding industrial lots, commercial buildings and sales under the agrarian reform laws). Under the Maceda Law, where a buyer of real estate has paid at least two years of installments, the buyer is entitled to the following rights in case he/she defaults in the payment of succeeding installments: (a) To pay, without additional interest, the unpaid installments due within the total grace period earned by him, which is fixed at the rate of one month for every one year of installment payments made. However, the buyer may exercise this right only once every five years during the term of the contract and its extensions, if any (b) if the contract is cancelled, the seller shall refund to the buyer the cash surrender value of the payments on the property equivalent to 50% of the total payments made, and in cases where five years of installments have been paid, an additional 5% every year (but with a total not to exceed 90% of the total payments), or (c) buyers who have paid less than two years of installments are given a 60-day grace period to pay all unpaid installments before the sale can be cancelled, but without right of refund. If a buyer fails to pay the installments due at the expiration of the grace period, the seller may cancel the contract after thirty (30) days from receipt by the buyer of the notice of cancellation or the demand for rescission of the contract by a notarial act from the seller.

Zoning And Land Use

Under the Philippines' agrarian reform law and the regulations issued thereunder by the DAR, land classified for agricultural purposes as of or after June 10, 1988, cannot be converted to non-agricultural use without the prior approval of the DAR and the DENR.

Land use may also be limited by zoning ordinances enacted by local government units. Once enacted, land use may be restricted in accordance with a comprehensive land use plan approved by the relevant local government unit. Land may be classified under zoning ordinances as commercial, industrial, residential or agricultural. While a procedure for change of allowed land use is available, this process may be lengthy and cumbersome.

Special Economic Zone

The Philippine Economic Zone Authority ("PEZA") is a Government agency that operates, administers and manages designated special economic zones ("Ecozones") around the country. Ecozones, which are generally created by proclamation of the President of the Philippines, are areas earmarked by the Government for development into balanced agricultural, industrial, commercial, and tourist/recreational regions.

An Ecozone may contain any or all of the following: industrial estates, export processing zones, free trade zones, and tourist/recreational centers. PEZA-registered enterprises located in an Ecozone are entitled to fiscal and non-fiscal incentives such as income tax holidays and duty free importation of equipment, machinery and raw materials.

Enterprises offering IT services (such as call centers and other BPO firms using electronic commerce) are entitled to fiscal and non-fiscal incentives if they are PEZA-registered locators in a PEZA-registered IT Park, IT Building, or Ecozone. An IT Park is an area which has been developed into a complex capable of providing infrastructure and support facilities required by IT enterprises, as well as amenities required by professionals and workers involved in IT enterprises, or easy access to such amenities. An IT Building is an edifice, a portion or the whole of which, provides such infrastructure, facilities and amenities.

PEZA requirements for the registration of an IT Park or IT Building differ depending on whether it is located in or outside Metro Manila. These PEZA requirements include clearances or certifications issued by the city or municipal legislative council, the DAR, the National Water Resources Board and the DENR.

Certain of our investment properties are located in Ecozones. Tenants in those properties may register with PEZA to avail themselves of significant benefits under RA 7916 and its Implementing Rules and Regulations. They can, for example, take advantage of income tax incentives such as income tax holidays or 5% gross income taxation, thereby making tenancy in our buildings located in Ecozones potentially more attractive.

Environmental Laws

Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an ECC prior to commencement. The DENR, through its regional offices or through the Environmental Management Bureau ("EMB"), determines whether a project is environmentally critical or located in an environmentally critical area. As a requisite for the issuance of an ECC, the proponent of an environmentally critical project is required to submit an Environmental Impact Statement ("EIS") to the EMB while the proponent of a project in an environmentally critical area is generally required to submit an Initial Environmental Examination ("IEE") to the proper DENR regional office. In the case of an environmentally critical project within an environmentally critical area, an EIS is required. The construction of major roads and bridges are considered environmentally critical projects for which EISs and ECCs are mandatory.

The EIS refers to both the document and the study of a project's environmental impact, including a discussion of the direct and indirect consequences to human welfare and ecological as well as environmental integrity. The IEE refers to the document and the study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas.

While the EIS or an IEE may vary from project to project, at a minimum, it must contain all relevant information regarding the project's environmental effects. The entire process of organization, administration and assessment of the effects of any project on the quality of the physical, biological and socio-economic environment as well as the design of appropriate preventive, mitigating and enhancement measures is known as the EIS System. The EIS System successfully culminates in the issuance of an ECC. The issuance of an ECC is a Government certification that the proposed project or undertaking will not cause a significant negative environmental impact; that the proponent has complied with all the requirements of the EIS System and that the proponent is committed to implement its approved Environmental Management Plan in the EIS or, if an IEE was required, that it shall comply with the mitigation measures provided therein.

Project proponents that prepare an EIS are required to establish an Environmental Guarantee Fund ("EGF") when the ECC is issued for projects determined by the DENR to pose a significant public risk to life, health, property and the environment or where the project requires rehabilitation or restoration. The EGF is intended to cover damages caused by such a project as well as any rehabilitation and restoration measures. Project proponents that prepare an EIS are required to include a commitment to establish an Environmental Monitoring Fund ("EMF") when an ECC is eventually issued. In any case, the establishment of an EMF must not be later than the initial construction phase of the project. The EMF shall be used to support the activities of a multi-partite monitoring team which will be organized to monitor compliance with the ECC and applicable laws, rules and regulations.

Current regulations provide that residential condominiums and mixed-use buildings with a total or gross floor area (including parking and other areas) of at least 25,000 sq.m. generally fall under Category B, i.e., projects that are not categorized as environmentally critical but which may cause negative environmental impact because they are located in an environmentally critical area and are required to obtain an ECC. Residential condominiums and mixed-use buildings with a total or gross floor area (including parking and other areas) of less than 25,000 sq.m. but at least 10,000 sq.m. also generally fall under Category B and are required to obtain an ECC. Residential condominium projects with a total or gross floor area of less than 10,000 sq.m. generally fall under Category D, i.e., projects unlikely to cause adverse environmental effects, and the project's proponent may obtain a certificate of non-coverage from the EMB.

Aside from the EIS and IEE, engineering geological and geo-hazard assessments are also required for ECC applications covering subdivisions, housing and other land development and infrastructure projects.

Building Permits

Under the Building Code, in order for a person or corporation to erect, construct, alter, repair, move, convert, or demolish any building or structure, a building permit must first be secured from the Building Official assigned at the place where the building work is to be done. A building permit is a written authorization granted by the Building Official to an applicant allowing him to proceed with the construction of a building after plans, specifications, and other pertinent documents required for the construction of the structure have been found to be in conformity with the Building Code.

To obtain a building permit, the applicant must submit the architectural and structural plans (for example, plumbing or sanitary installation plans, mechanical plans, electrical plans, etc.) of the building for the approval of the Building Official.

Business Permits

Before any company may commence operations in the territory of a local government, it must secure the permits, clearances and licenses from such local government. Usually, it is assumed that a corporation has complied with all of the permitting requirements of the local government if it is issued a business permit (also referred to as a mayor's permit in certain jurisdictions). These permits, clearances and licenses must be renewed on an annual basis.

Without these permits, clearances or licenses, the local government may shut down the operations of a business establishment until these are obtained and the corresponding fees and penalties are settled.

1.6 RISKS

RISKS RELATING TO OUR BUSINESS

The Company derives a significant portion of its revenue from OFWs, expatriate Filipinos, former Filipino citizens who have returned to the Philippines ("Balikbayans") and other overseas buyers, which exposes the Company to risks relating to the performance of the economies where they are located.

The Company generates a significant portion of its revenues, particularly sales of its affordable and middle-income projects, from OFWs, expatriate Filipinos, Balikbayans and other overseas buyers. A number of factors could reduce the number of OFWs, remittances from OFWs or the purchasing power of expatriate Filipinos, Balikbayans and other overseas buyers. These include:

- a downturn in the economic performance of the countries and regions where a significant number of these potential customers are located, such as the United States, France, Italy, the United Kingdom, Hong Kong, Japan, Korea, Taiwan, Singapore, the United Arab Emirates, Qatar and Bahrain;
- a change in Government regulations that currently exempt the income of OFWs from taxation in the Philippines;
- the imposition of Government restrictions on the deployment of OFWs to particular countries or regions, such as the Middle East; and
- restrictions imposed by other countries on the entry or the continued employment of foreign workers.

Any of these events could adversely affect demand for the Company's projects from OFWs, expatriate Filipinos, Balikbayans and other overseas buyers, which could materially and adversely affect the Company's business, financial condition or results of operations.

Substantially all of the Company's properties are in the Philippines and, as a result, the Company is exposed to risks associated with the Philippines, including the performance of the Philippine economy.

Substantially all of the Company's properties are in the Philippines. Accordingly, CPGI is significantly influenced by the general state of the Philippine economy. In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of the peso and the imposition of exchange controls. For companies in the real estate sector, demand for, and prevailing prices of, commercial and residential properties are affected by the strength of the Philippine economy (including overall growth levels and interest rates), the overall levels of business activity in the Philippines and the amount of remittances received from OFWs. Demand for commercial and residential developments is also affected by social trends and changing spending patterns in the Philippines, which in turn are influenced by economic, political and security conditions in the Philippines. The Philippine residential housing industry is cyclical and sensitive to changes in general economic conditions in the Philippines such as levels of employment, consumer confidence and income, availability of financing for property acquisitions, construction and mortgages, interest rate levels, inflation and demand for housing. When the Philippines underwent financial and political crises in the past, demand for real estate dropped and consequently led to an oversupply in the market and reduced demand for new residential projects.

The recent global financial crisis which resulted in a general slowdown of the global economy in 2008 and 2009 led to a decline in property sales in the Philippines. Although the Philippine economy continues to recover from the recent financial crisis, this recovery might not continue and there could be a recurrence of the conditions experienced during past financial or political crises. In particular, there is significant uncertainty as to the potential for a continued downturn in the United States, European and other foreign economies, which would be likely to cause economic conditions in the Philippines to deteriorate. This uncertainty could have adverse effects on the growth of the real estate sector in the Philippines. If changes in the Philippine property market or the Philippine economy cause a decrease in revenues from the sale of properties, significant expenditures associated with investment in real estate, such as real estate taxes, maintenance costs and debt payments, generally cannot be correspondingly reduced and therefore could materially and adversely affect the business, financial condition and results of operations of the Company.

The portfolio of real estate property development projects exposes the Company to sector-specific risks.

Because the Company business is concentrated in the Philippine residential and commercial property market, reduced levels of economic growth, adverse changes in the country's political or security situation or weak performance of the country's property development market generally could materially and adversely affect the profitability of the Company. The results of operations are dependent on the continued success of the development projects of the Company.

Additionally, the Philippine real estate industry is highly competitive. CPGI's projects are largely dependent on the popularity of its development when compared to similar types of developments in similar geographic areas, as well as on its ability to gauge correctly the market for its developments. Important factors that could affect the ability to effectively compete include a development's relative location versus that of its competitors, particularly with regards to proximity to transportation facilities and commercial centers, as well as the quality of the developments and related facilities that the Company offers, pricing and the overall attractiveness of the development. The Company's inability to develop attractive projects could materially and adversely affect its business, financial conditions and results of operations.

The Company may not be able to successfully manage its growth.

CPGI intends to continue to pursue an aggressive growth strategy by increasing the amount of properties it develops and manages and by expanding into new market segments. However, the Company might experience capital constraints, construction delays, operational difficulties at new locations or difficulties operating existing businesses and training personnel to manage and operate its business. Any inability to adapt effectively to growth, including strains on management and logistics, could result in losses or development costs that are not recovered as quickly as anticipated or at all. These problems could have a material adverse effect on the business, financial condition and results of operations of the Company.

The Company might not be able to generate sufficient funds internally or through external financing to operate and grow our business as planned.

The real estate business is capital intensive and requires significant capital expenditures to develop and implement new projects and complete existing projects. CPGI has budgeted between P7,300 million and P8,300 million for capital expenditures for 2012, primarily to fund the development of our four master planned community projects.

Historically, while the Company has funded a significant portion of its capital expenditure requirements internally from the pre-sales of its developments, CPGI periodically utilizes external sources of financing. However, the Company might not be able to continue funding its capital expenditure requirements internally or obtain sufficient funds externally on acceptable terms or at all. The ability to raise additional equity financing from non-Philippine investors is subject to foreign ownership restrictions imposed by the Philippine Constitution and applicable laws. The Company's access to debt financing is subject to many factors, many of which are outside its control. For example, political instability, an economic downturn, social unrest or changes in the Philippine regulatory environment could increase the costs of borrowing or restrict the ability to obtain debt financing. In addition, the disruptions in the capital and credit markets may continue indefinitely, which could adversely affect the access to financing. The inability to obtain financing on acceptable terms would adversely affect the Company's ability to operate and execute its growth strategies.

The cancellation of sales of housing or condominium units could adversely affect its business, financial condition and results of operations.

As a developer and seller of residential real estate, the business, financial condition and results of operations of the Company could be adversely affected if a material number of housing or condominium unit sales are cancelled. Under Republic Act No. 6552 (the "Maceda Law"), which applies to all transactions or contracts involving the sale or financing of real estate through installment payments, buyers who have paid at least two years of installments are granted a grace period of one month for every year of paid installments to cure any payment default. During the grace period, the buyer may pay the unpaid installments due, without additional interest. If the contract is cancelled, the buyer is entitled to receive a refund of at least 50% of the total payments made by the buyer, with an additional 5% per annum in cases where at least five years of installments have been paid (but with the total not to exceed 90% of the total payments). Buyers who have paid less than two years of installments and who have defaulted on installment payments are given a 60-day grace period to pay all unpaid installments before the sale can be cancelled, but without any right of refund.

CPGI could experience a material number of cancellations, particularly during slowdowns or downturns in the Philippine economy, periods when interest rates are high or similar situations. If it experiences a material number of cancellations, the Company may not have enough funds on hand to pay the necessary cash refunds to buyers, in which case the Company may have to incur indebtedness to pay such cash refunds, but it might not be able to obtain debt financing on reasonable terms or at all. In addition, particularly during an economic slowdown or downturn, the Company might not be able to able to resell the same property at an acceptable price or at all. Any of these events could have a material adverse effect on the business, financial condition and results of operations.

If the Company experiences a material number of sales cancellations, the historical revenue from its real estate sales would have been overstated because such historical revenues would not have accurately reflected subsequent customer defaults or sales cancellations. Once a customer has paid 15% of the purchase price, the revenue is recognized as follows: (a) for completed projects, the revenue is accounted for using the accrual method and (b) for projects where it has material obligations under the sales contract to complete the project after the property is sold, the percentage of completion method is used. If a sale is cancelled in the same calendar year in which it was recorded, either because a buyer defaults on its payment obligations or otherwise cancels a sale, the Company reverses the corresponding entries made in both “real estate sales” and “cost of real estate sales” in the statement of comprehensive income. If a sale is cancelled after the end of the calendar year in which it was recorded, the Company recognizes the real estate inventory and derecognize the corresponding outstanding contracts receivable and reimbursable costs (which are transaction costs the Company initially bear but are reimbursable under the sales contract with the buyer) and any difference is recognized as a gain or loss under “interest and other income” in our statement of comprehensive income. As a result, to the extent CPGI experience cancellations of sales, our revenues for previous years, where revenue related to cancelled accounts were recognized, may be overstated.

The Company is controlled by the Antonio family and their interests may differ significantly from the interests of other shareholders.

The Antonio family beneficially owns a majority of CPGI’s issued and outstanding shares. Accordingly, the Antonio family will be able to elect a majority of the Board and determine the outcome of many significant matters voted on by shareholders. Members of the Antonio family also serve as directors and executive officers. The Antonio family could also take advantage of business opportunities that may otherwise be attractive to the Company. The interests of the Antonio family may differ significantly from or compete with the Company’s interests or the interests of other shareholders, and the Antonio family may vote their shares in a manner that is contrary to the Company’s interests or the interests of our other shareholders.

The Company is highly dependent on certain directors and members of senior management.

The Company’s directors and members of senior management have been an integral part of its success and the experience, knowledge, business relationships and expertise that would be lost if any such persons depart or take on reduced responsibilities could be difficult to replace and may adversely affect CPGI’s operating efficiency and financial performance. In particular, members of the Antonio family fill certain key executive positions and the Company may not be successful in attracting and retaining executive talent to replace these family members if they depart or take on reduced responsibilities. Such executives include: Jose E.B. Antonio, Chairman, President and CEO; John Victor R. Antonio, Co-Chief Operating Officer and Managing Director; Jose Marco R. Antonio, Co-Chief Operating Officer and Managing Director; Jose Roberto R. Antonio, Managing Director; Jose Carlo R. Antonio, Chief Financial Officer; Rafael G. Yaptinchay, Treasurer; and Ricardo P. Cuerva, President of Century Project Management and Construction Corporation (“CPMCC”), the company exclusively charged with managing the construction projects for CPGI’s vertical developments. The Company does not carry insurance for the loss of the services of any of the members of the management. If CPGI looses the services of any such person and are unable to fill any vacant key executive or management positions with qualified candidates, it could have a material adverse effect on the business, financial condition and results of operations of the Company.

The Company may be unable to attract and retain skilled professionals, such as architects and engineers.

The Company believes there is significant demand for skilled professionals from its competitors. The ability to retain and attract highly skilled personnel, particularly architects, engineers and sales and marketing professionals, affects the Company’s ability to plan, design, execute, market and sell projects. In particular, any inability on the part of CPGI to hire and retain qualified personnel could impair its ability to undertake project design, planning, execution and sales and marketing activities in-house and could require the Company to incur additional costs by having to engage third parties to perform these activities.

Construction defects and building-related claims may be asserted against the Company, and CPGI may be involved in litigation, which could result in financial losses or harm to our business.

Under Philippine law, the engineer or architect who drew up the plans and specifications for a building is liable for damages if within 15 years from the completion of the structure, it collapses by reason of a defect in those plans and specifications or due to the defects in the ground. The action must commence within 10 years following the collapse of the building. Thus, if the architect or engineer is one of the Company's employees, the Company may be held liable for damages if any of our buildings collapses. CPGI may also be held responsible for hidden (that is, latent or non-observable) defects in the housing and condominium units if such hidden defects render a unit unfit for the use for which it was intended or if its fitness for such use is diminished to the extent that the buyer would not have acquired it or would have paid a lower price had the buyer been aware of the hidden defect. This warranty may be enforced within six months from the delivery of the house to the buyer. In addition, the National Building Code of the Philippines (the "Building Code"), which governs, among others, the design and construction of buildings, sets certain requirements and standards that the Company must comply with. CPGI may be held liable for administrative fines or criminal penalties in case of any violation of the Building Code.

The Company could be held liable for the damages mentioned above, the cost of repairs and the expense of litigation surrounding such claims. Claims could also arise out of uninsurable events or circumstances not covered by insurance. Significant claims arising from structural or construction defects could have a material adverse effect on the reputation and the business, financial condition and results of operations of the Company. CPGI as a group may also be implicated in lawsuits on an ongoing basis. Litigation could result in substantial costs to, and a diversion of effort by, us and subject us to significant liabilities, including potential defaults under our present debt covenants. Legal proceedings could materially harm its business and reputation, and the Company may be unable to recover any losses incurred from third parties, regardless of whether or not CPGI is at fault. Losses relating to litigation could have a material adverse effect on the business, financial condition and results of operation, and provisions made for litigation related losses might not be sufficient to cover the losses of the Company.

Third parties may contest our titles to our properties.

While the Philippines has adopted the Torrens System, a system of land registration which is intended to conclusively confirm land ownership by providing a state guarantee of indefeasible title to those in the register, and which is binding on all persons (including the Government), it is not uncommon for third parties to claim ownership of land which has already been registered in favor of another. In particular, Quezon City, Metro Manila and the province of Cavite, have been known to experience problems with syndicates of squatters and forged or false title holders. There have been cases where third parties have produced false or forged title certificates over land and there are difficulties in obtaining title guarantees with respect to property in the Philippines. Title to land is often fragmented and land may have multiple owners. Land may also have irregularities in title, such as non-execution or non-registration of conveyance deeds, and may be subject to liens, encumbrances or claims of which we may be unaware. The difficulty of obtaining title guarantees in the Philippines means that title records provide only for presumptive rather than guaranteed title. As each transfer in a chain of title may be subject to a variety of defects, our title and development rights over land may be subject to various defects of which the Company is unaware. For these and other reasons, title insurance is not readily available in the Philippines. Title defects may result in the loss of our title over land.

From time to time, the Company may be required to defend itself against third parties who claim to be the rightful owners of land that the Company acquires. If third-party claims for title are brought against the Company, or if any such claim involves land that is material to its projects, CPGI may have to devote significant time and incur significant costs in defending itself against such claims. Such claims could also affect the company's ability to develop land for particular projects by causing the relevant governmental authority to delay or prevent continued business operations on the property or withhold required permits or clearances until such claim is definitively resolved. In addition, if any such claims are successful, the Company may have to either incur additional costs to settle such third-party claims or surrender title to land that may be material for its projects. In addition, title claims made by third-parties against CPGI or our joint venture partners may have an adverse effect on the Company's reputation. Any of the foregoing circumstances could have a material adverse effect on on the business, financial condition and results of operation, as well as on the reputation of the Company. Any successful claim against CPGI or our joint venture partners may affect the Company's ability to deliver its developments on time and free and clear of any liens or encumbrances.

CPGI faces risks relating to its property development, including risks relating to project cost, completion time frame and development rights.

The property development business involves significant risks distinct from those involved in the ownership and operation of established properties, including the risk that CPGI may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales and which may not be commercially viable. In addition, obtaining required Government approvals and permits may take substantially more time and resources than anticipated or construction of projects may not be completed on schedule and within budget.

In addition, the time and costs involved in completing the development and construction of real estate projects can be adversely affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, depreciation of the peso, natural disasters, disputes with contractors and subcontractors, accidents, changes in laws, land zoning, use and classification, or in Government priorities and other unforeseen problems or circumstances, and each of these could have an adverse affect on our revenues. Where land to be used for a project is occupied by tenants or squatters, the Company may have to take steps, and incur additional costs, to remove such occupants and, if required by law, to provide relocation facilities for them. Any of these factors could result in project delays and cost overruns, which could negatively affect the margins and delay when the Company recognizes revenue. Further, the failure to complete construction of a project to its planned specifications or schedule may result in contractual liabilities to purchasers and lower returns. In addition, orders of the Philippine Department of Agrarian Reform allowing conversion of agricultural land for development may require a project to begin by a prescribed deadline. These events could materially and adversely affect the business, financial condition or results of operations.

CPGI operates in a highly-regulated environment and must obtain and maintain various permits, licenses and other governmental approvals.

The Philippines' property development industry is highly regulated. The development of subdivision and other residential projects is subject to a wide range of government regulations, which, while varying from one locality to another, typically include zoning considerations as well as the requirement to procure a variety of environmental and construction-related permits. In addition, projects that are to be located on agricultural land must get clearance from the Department of Agrarian Reform so that the land can be re-classified as non-agricultural land and, in certain cases, tenants occupying agricultural land may have to be relocated at our expense.

Presidential Decree No. 957, as amended, ("PD 957"), Republic Act No. 4726 ("RA 4726") and *Batas Pambansa Blg*. 220 ("BP 220") are the principal statutes which regulate the development and sale of real property as part of a condominium project or subdivision. PD 957, RA 4726 and BP 220 cover subdivision projects for residential, commercial, industrial or recreational purposes and condominium projects for residential or commercial purposes. The Housing and Land Use Regulatory Board ("HLURB") is the administrative agency of the Government which enforces these statutes.

All subdivision and condominium development plans are required to be filed with and approved by the local government unit ("LGU") with jurisdiction over the area where the project is located and by the HLURB. Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and the developer's financial, technical and administrative capabilities. Alterations of approved plans that affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of (1) the relevant government unit; (2) the HLURB; (3) for subdivisions, the duly organized homeowners association, or if none, the majority of the lot buyers; and (4) for condominiums, a majority of the registered owners. In addition, owners of or dealers in real estate projects are required to obtain licenses to sell before making sales or other dispositions of subdivision lots and housing and condominium units. The HLURB can suspend, cancel or revoke project permits and licenses to sell based on its own findings or upon complaint from an interested party. CPGI may not be able to obtain these licenses and permits within the time period expected or at all.

Any of the foregoing circumstances or events could impair the Company's ability to complete projects on time, within budget or at all, or sell units in these projects, which in turn could materially and adversely affect the business, financial condition and results of operations.

Environmental laws applicable to the Company's projects could have a material adverse effect on our business, financial condition or results of operations.

In general, developers of real estate projects are required to submit project descriptions to regional offices of the Philippine Department of Environment and Natural Resources ("DENR"). For environmentally-critical projects or at the discretion of the regional office of the DENR, a detailed Environmental Impact Assessment ("EIA") may be required and the developer will be required to obtain an Environmental Compliance Certificate ("ECC") to certify that the project will not have an unacceptable environmental impact. Current or future environmental laws and regulations applicable to us could increase the costs of conducting our business above currently projected levels or require future capital expenditures. In addition, if a first violation of an ECC occurs or if environmental hazards on land where our projects are located cause damage or injury to buyers or any third party, we may be required to pay a fine, to incur costs in order to cure the violation and to compensate our buyers and any affected third parties, however, on subsequent violations, an ECC may be revoked and operations may be stopped. We cannot predict what environmental legislation or regulations will be amended or enacted in the future, how existing or future laws or regulations will be enforced, administered or interpreted, or the amount of future expenditures that may be required to comply with these environmental laws or regulations or to respond to environmental claims. The introduction or inconsistent application of, or changes in, laws and regulations applicable to our business could materially and adversely affect the business, financial condition or results of operations.

Natural or other catastrophes, including severe weather conditions, may materially disrupt the operations, affect the ability to complete projects and result in losses not covered by the Company's insurance.

The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, floods, droughts, volcanic eruptions and earthquakes. Natural catastrophes may disrupt our business operations and impair the economic conditions in the affected areas, as well as the overall Philippine economy. These factors could have significant adverse effects on the Company's development projects, which may be susceptible to damage. Damages resulting from natural catastrophes could also give rise to claims against the Company from third parties or from customers, for example for physical injury or loss of property. As a result, the occurrence of natural or other catastrophes or severe weather conditions may adversely affect the business, financial condition and results of operations of the Company. Furthermore, CPGI cannot obtain insurance at a reasonable cost or at all for certain types of losses from natural and other catastrophes. Neither does the company carry any business interruption insurance. If an uninsured loss or a loss in excess of insured limits occurs, the Company could lose all or a portion of the capital invested in a property, as well as the anticipated revenue from such property, and incur liabilities for any project costs or other financial obligations related to the business. Any material uninsured loss could materially and adversely affect the business, financial condition and results of operations.

The use third-party non-exclusive brokers to market and sell some of our projects.

Although CPI's network of exclusive sales agents are responsible for a significant portion of the Company sales, CPGI also use third-party non-exclusive brokers to market and sell some of its residential housing developments to potential customers inside and outside the Philippines. These brokers may also act as brokers for other developers in the same markets in which the Company operate, and they may favor the interests of their other clients over our interests in sale opportunities, or otherwise fail to act in our best interests. There is competition for the services of third-party brokers in the Philippines, and many of our competitors either use the same brokers as we do or attempt to recruit brokers away from us. If a large number of these third-party brokers were to terminate or breach their brokerage agreements, we would need to seek other third-party brokers and we may not be able to do so quickly or in sufficient numbers. This could disrupt the business and negatively affect the business, financial condition or results of operation of the Company.

The loss of certain tax exemptions and incentives will increase our tax liability and decrease any profits we might have in the future.

The Company benefits from certain tax incentives and tax exemptions. In particular, the Board of Investments ("BOI") has granted the first three buildings in Azure Urban Residences an Income Tax Holiday ("ITH") for three to four years, depending on the building, from the start of commercial operations or selling. The ITH is limited only to the revenue generated from the three registered buildings, and only for revenues from units with selling prices below P3.0 million. In order to take advantage of the ITH, the Company, through CLC, must increase its equity to at least 25% of the total building costs and invest at least 20% of the building cost in socialized housing programs.

Once the tax incentives related to the BOI-registered buildings expire, the income from those buildings will be subject to the corporate income tax rate, which is currently 30% of net taxable income, and the tax expenses will increase, reducing the profitability and adversely affecting the net income. There have also been reports that the Government may discontinue its policy of granting tax incentives for similar projects in the future. Therefore, the Company might not be able to obtain similar tax incentives for future projects.

Further, sales of residential lots with a gross selling price of P1,915,500 or less and sales of residential houses and lots with a gross selling price of P3,199,200 or less are currently not subject to value-added tax ("VAT") of 12%. If these sales become subject to VAT, the purchase prices for our residential lots and housing units will increase, which could adversely affect the Company sales. Because VAT affects general levels of spending in the Philippines and the prices of subdivision lots and houses, any adverse change in the Government's VAT-exemption policy could have an adverse effect on the Company's results of operations.

Increases in interest rates and changes to Government borrowing patterns and Government policies could adversely affect our and our customers' ability to obtain financing.

Increases in interest rates, and factors that otherwise impair the availability of credit, such as the Government's fiscal policy, could have a material adverse effect on the business and demand for property developments. For example:

- Higher interest rates make it more expensive for the Company to borrow funds to finance current projects or to obtain financing for new projects.

- The access to capital and the cost of financing are also affected by restrictions, such as the single borrower limit imposed by the BSP on bank lending. The total amount of loans, credit accommodations and guarantees that may be extended by a bank to any person, partnership, association, corporation or other entity shall at no time exceed 25% of the net worth of such bank. This may be increased by an additional 10% of the net worth of the bank provided that the additional liabilities are secured by trust receipts, shipping documents, warehouse receipts or other similar documents transferring or securing title covering readily marketable, non-perishable goods which must be fully covered by insurance. If the Company reaches the single borrower limit with respect to any bank, it may have difficulty obtaining financing with reasonable interest rates from other banks.
- Because a substantial portion of the Company's customers procure financing to fund their property purchases, higher interest rates make financing, and therefore purchases of real estate, more expensive, which could adversely affect demand for CPGI's residential developments.
- Increases in Government borrowing in the domestic currency market could increase the interest rates banks and other financial institutions charge and reduce the amount of financing available to the Company and prospective property purchasers of its property.
- Increased inflation in the Philippines could result in an increase in the costs of raw materials, which the Company may not be able to pass on to its customers through increased prices.

• Increases in the Government's budget deficit could increase interest rates and inflation, which could in turn have a material adverse effect on the Company and the customers' ability to obtain financing on attractive terms.

The occurrence of any of the foregoing events could have a material adverse effect on the business, financial condition and results of operations.

Any restriction or prohibition on the Company's subsidiaries' ability to distribute dividends would have a negative effect on our financial condition and results of operations.

As a holding company, CPGI conducts its operations through its subsidiaries. As a result, it derives most of its revenues from dividends from its subsidiaries. CPGI rely on these funds for compliance with its own obligations and for financing its subsidiaries. Further, the ability of the company's subsidiaries to upstream dividends is subject to applicable law and may be subject to restrictions contained in loan agreements and other debt instruments they are party to.

Any restriction or prohibition on the ability of any of the Company's subsidiaries to distribute dividends or make other distributions to CPGI, either due to regulatory restrictions, debt covenants, operating difficulties or other limitations, could have a negative effect on the cash flow and therefore may adversely impact the financial condition and results of operations.

reign credit ratings of the Government directly and adversely affect companies resident in the Philippines as international credit rating agencies issue credit ratings by reference to that of the sovereign. Credit rating agencies could downgrade the credit ratings of the Government and, therefore, of Philippine companies, including CPGI and its subsidiaires. Any such downgrade could adversely impact liquidity in the Philippine financial markets, the ability of the Government and Philippine companies, including us, to raise additional financing and the interest rates and other commercial terms at which such additional financing is available.

The Company is exposed to Interest Rate, Liquidity, Credit and Commodity Risks

The Company's principal financial instruments consist of cash on hand and in banks, cash equivalents, receivables from installment sales and due from and to affiliated companies and credit facilities from commercial banks. CPGI use these financial instruments to fund its business operations. The Company does not enter into hedging transactions or engage in speculation with respect to financial instruments.

The Company believes that the principal risks arising from its financial instruments are interest rate risk, liquidity risk, credit risk and commodity risk. Because the assets, liabilities, revenue and costs are mostly peso-denominated, the Company believes that it does not have significant exposure to foreign exchange risk.

Interest Rate

Fluctuations in interest rates could negatively affect the potential margins in respect of the Company sales of receivables and could make it more difficult for the Company to procure new debt on attractive terms or at all. The company does not engage in interest rate derivative or swap activities to hedge its exposure to increases in interest rates.

Fluctuations in interest rates also have an effect on demand for the Company's products. As most of our customers obtain some form of financing for their real estate purchases, increases in interest rate levels could adversely affect the affordability and desirability of te company's subdivision lots and housing and condominium units.

Liquidity

CPGI face the risk that it will not have sufficient cash flows to meet its operating requirements and financing obligations when they come due. The Company manages its liquidity profile by pre-selling housing and land development projects. In addition, the Company's receivables backed credit facilities with banks and other financial institutions under the terms of which CPGI, from time to time, assign installment contract receivables on a “with recourse” basis. The Company is typically required to replace receivables assigned on a “with recourse” basis if the property buyer fails to pay three consecutive installments or when the sale is otherwise cancelled.

If CPGI is unable to maintain its credit lines with banks and other financial institutions, it may not have sufficient funds to meet its operational requirements.

The Company intends primarily to use internally generated funds and proceeds from pre-sales, assignment of receivables, borrowings, debt issuances and additional equity offerings to meet its financing requirements.

Credit Risk
CPGI and its subsidiaries are exposed to credit risk from defaults by purchasers on their mortgages during the pre-sale periods for its properties. In 2007, the Company began to guarantee the mortgages of purchasers of uncompleted projects. Accordingly, if a purchaser who has a mortgage on an uncompleted project defaults on the mortgage, and the Company is not able to find a replacement purchaser, or if CPGI or its subsidiaries fails in an undertaking with the bank, including delivering the property and title to such property within the mutually agreed period, the Company is obligated to pay the mortgage. As of December 31, 2011, we had guaranteed mortgages with an aggregate amount of Php199.0 million for Gramercy Residences and P228.3 for Canyon Ranch.

Commodity Risk
The Company is exposed to the risk that prices for construction materials used to build its properties (including timber, cement and steel) will increase. These materials are global commodities whose prices are cyclical in nature and fluctuate in accordance with global market conditions. The Company and its subsidiaries are exposed to the risk that it may not be able to pass increased commodities costs to customers, which would lower the company’s margins. CPGI and its subsidiaries does not engage in commodity hedging, but the Company attempts to manage commodity risk by requiring its internal procurement group to supply raw materials for the relevant construction and development projects

1.7 CORPORATE SOCIAL RESPONSIBILITY

As part of Century’s corporate social responsibility undertakings, CPGI has begun to retrofit the existing chillers in the Pacific Star Building, home of Century’s corporate office, to reduce the building’s carbon footprint. Through CPMI, CPMI is doing this through a partnership with the Clinton Climate Initiative and Trane Philippines, a business of Ingersoll Rand and a leading air conditioning systems, services and solutions provider. By replacing existing chillers with new high efficiency ones from Trane Philippines, CPMI expects the Pacific Star Building’s total energy consumption to be reduced by 20% and its carbon dioxide emissions to be reduced by 350 tons per year. The chillers run on a refrigerant that is in compliance with global environmental standards set out in the Kyoto Protocol. The Clinton Climate Initiative, a project of the William J. Clinton Foundation, is assisting CPMI on this project through its “Energy Efficiency Building Retrofit Program.” The Clinton Climate Initiative is providing technical assistance in guiding us through global best practices in energy efficiency measures.

Century supports Operation Smile, a private, not-for-profit volunteer medical services organization and worldwide children’s medical charity headquartered in Norfolk, Virginia, U.S.A. that provides reconstructive surgery and related health care to indigent children and young adults. Operation Smile’s medical volunteers repair cleft lip, cleft palate and other childhood facial deformities while building public and private partnerships to provide training to health care professionals and improve local capacity in partner countries. CPGI has donated funds to Operation Smile to cover the cost of surgeries for 76 children.

In addition, Century also support the ABS CBN Foundation’s Kapit Bisig Para sa Ilog Pasig, which raises awareness and funds in order to rehabilitate the Pasig River. Century was a lead sponsors for three ultra marathons, each 100 kilometers long, organized to help support the foundation’s purpose.

ITEM 2. PROPERTIES

2.1 OVERVIEW

As of December 31, 2011, the Company, through its Subsidiaries and affiliated companies Meridien Land Holdings, Inc., Meridien East Realty and Development Corporation, Meridien Far East Development Corporation and other related entities ("Meridien"), has completed 20 condominiums and commercial buildings (4,128 units) with a total GFA of 548,262 sq. m. The Company is currently developing the four master-planned communities and is expected to have 23 condominiums and commercial buildings with approximately 14,758 condominium and commercial units and 955 single detached homes, with a total expected GFA of 1,185,0,24 sq.m.

The four current master-planned communities are:

- ***Century City*** – A 3.4-hectare mixed-use project in Makati City with eight buildings covering a total planned GFA of 584,709 sq.m. We are currently developing six of the eight buildings: The Gramercy Residences; The Knightsbridge Residences; The Milano Residences (interior design by Versace Home); Centuria Medical Makati, which is expected to be equipped with medical equipment provided by General Electric; Trump Tower Manila; and the Lifestyle Center at Century City, a retail mall designed to cater to residents, employees and patients of Century City as well as residents of the surrounding communities. We are currently developing plans for the remaining two buildings, which will be residential and/or office buildings.
- ***Acqua Private Residences*** – Located in Mandaluyong City, this development comprises six towers with views of the Makati City skyline and will feature a country club with fitness, retail, dining and entertainment facilities, as well as what we expect to be the first riverwalk promenade in the Philippines.
- ***Azure Urban Resort Residences*** – Century's first property in the affordable market segment, Azure Urban Resort Residences is a nine building residential property set on six-hectares in Parañaque City. The development will feature what we expect to be the first man-made beach in an urban residence in Manila and a beach club designed by Paris Hilton.
- ***Canyon Ranch*** – A 25-hectare house and lot community that is part of the 77-hectare San Lazaro Leisure Park in Cavite City targeted for middle-income buyers. The community features a clubhouse with sports and leisure facilities and offers residents views of the Leisure Park which includes one of only two operating horse racing tracks in the Philippines.

The Company's land bank for future development consists of properties in Quezon City and Batangas that cover a site area of 1,966,865 sq.m.

The Company also engages in a wide range of property management services, from facilities management and auction services, to lease and secondary sales. Through the property management services, the Company endeavor to ensure that the buildings it develops maintain and improve their asset value and are safe and secure. The Company further believes that the ability to develop a reputation as one of the premier property management companies in the Philippines has enabled it to attract a steady clientele of third-party property owners. CPGI currently manage 51 projects with total GFA of 2,192,338 sq.m., and 80% of the projects we manage were developed by third-parties. Notable third-party developed projects under management include the Asian Development Bank in Ortigas, BPI Buendia Center in Makati City, Philippine National Bank Financial Center in Pasay City, Pacific Star Building in Makati City, Makati Medical Center in Makati City and three Globe Telecom buildings in Cebu, Mandaluyong and Makati City, respectively.

CPGI aims to enhance the overall quality of life for Filipinos and foreign nationals by providing distinctive, high-quality and affordable properties. The Company's focus on differentiation to drive demand, increase its margins and grow market share. In particular, CPGI identifies what it believes are the best global residential standards and adopt them to the Filipino market. The Company also believes that it has earned a reputation for pioneering new housing concepts in the Philippines. One of the Company's significant contributions is the FF/FF concept, which Colliers believes is now an industry standard in the Philippines. CPGI also employs a branding strategy that focuses on strategic arrangements with key global franchises to help capture and sustain consumers' awareness. To date, the Company through its subsidiaries has entered into agreements with Gianni Versace S.P.A., Donald Trump (through the Trump Organization) , Paris Hilton, and Missoni Home among others.

The Company has marketed and sold to clients in more than 50 countries and, as a result, a significant portion of its residential properties are sold to Filipinos living abroad. CPGI and its subsidiaries have successfully expanded its market reach to Filipino overseas employees and expatriates, as well as other overseas buyers, through its international office, CPI's international office and 29 international selling partners. International pre-sales sales accounted for approximately two-thirds of the total pre-sales, in terms of value, for each of the last three years. CPGI conduct its sales and marketing through CPI's extensive domestic and international network of 2,842 agents and brokers as of December 31, 2011. Approximately 773 of the agents and brokers are based internationally, with their marketing and sales efforts taking place outside the Philippines.

2.2 COMPLETED PROJECTS AS OF DECEMBER 31, 2011

Project	Developer	Location	Type	GFA (sq.m.)	Units	Year Completed
Le Grand	Meridien	Makati City	Residential	15,423	46	1989
Vine Villas	Meridien	Pasig City	Townhouse	N/A[1]	37	1991
Le Triomphe	Meridien	Makati City	Residential	20,239	85	1991
La Maison Rada	Meridien	Makati City	Residential	6,467	67	1992
Le Metropole	Meridien	Makati City	Residential	17,833	70	1992
Pacific Place	Meridien	Pasig City	Residential	33,515	204	1993
Le Domaine	Meridien	Makati City	Residential	16,503	106	1994
One Magnificent Mile	Meridien	Pasig City	Office	23,105	130	1996
Medical Plaza Makati	Meridien	Makati City	Medical Office	24,218	189	1996
Medical Plaza Ortigas	Meridien	Makati City	Medical Office	34,642	264	1998
Essensa (2 Buildings)	Meridien	Taguig City	Residential	115,000	236	2000
Oxford Suites	Meridien	Makati City	Serviced Apartment	17,407	242	2001
West of Ayala	Meridien	Makati City	Residential	57,752	365	2002
Bel-air Soho	Meridien	Makati City	Residential	9,468	207	2005
South of Market (2 buildings)	Meridien	Taguig City	Residential	62,246	709	2007
SOHO Central (2 buildings)	Meridien	Mandaluyong	Residential	64,816	811	2009
Grand SOHO Makati	CPI	Makati City	Residential	29,628	360	2010
Total				**548,262**	**4,128**	

Note:
(1) Information is not available.

2.3 PROPERTIES UNDER MANAGEMENT AS OF DECEMBER 31, 2011

The Company manages both residential and commercial properties. The following table sets forth information regarding residential properties under our management.

RESIDENTIAL PROPERTIES

Project	Location	Developer	GFA (sq.m.)
Astoria Plaza Condominium	Pasig	Millennium Properties & Brokerage	53,767
Bel-Air Soho Condominium	Makati City	Meridien East Realty & Development Corp.	9,468
BSA Suites Condominium	Makati City	ASB Development Corp.	22,925
Canyon Ranch Estate	Carmona, Cavite	Century Communities Corporation	83,889
Essensa East Forbes	Taguig	Meridien East Realty & Development Corp.	115,000
Goldland Plaza Condominium	San Juan	Goldland Development & Realty Group	54,524
Grand Soho Makati Condominium	Makati City	Century Properties, Inc.	29,628
Le Gran Condominium	San Juan	Arpen Real Estate Development, Inc.	15,423
Le Triomphe Condominium	Makati City	Meridien East Realty & Development Corp.	20,239
Makati Tuscany Condominium	Makati City	Multi Realty Development Corporation	44,591
Paragon Plaza	Mandaluyong	Fil Estate Properties, Inc.	71,631
Pioneer Highlands North	Mandaluyong	Universal Rightfield Property Holdings, Inc.	89,990
Skyway Twin Towers	Pasig	Amberland Corporation	95,417
Soho Central Condominium	Mandaluyong	Meridien East Realty & Development Corp.	64,816
South of Market Condominium	Taguig	Meridien East Realty & Development Corp.	62,246
Tiffany Place Condominium	Makati City	River Oaks Realty Corporation	24,702
Two Lafayette Square	Makati City	Megaworld Properties & Holdings, Inc.	17,189
West of Ayala Condominium	Makati City	Meridien East Realty & Development Corp.	57,752
Total			**933,197**

COMMERCIAL PROPERTIES

Project	Location	Developer	GFA (sq.m.)
139 Corporate Center	Makati City	Antel Realty & Development Corporation	24,426
88 Corporate Condominium	Makati City	Belgen Realty Development, Inc.	37,677
ANPN Edsa Commercial Complex	Quezon	BDO Unibank, Inc.	24,880
Antel Global Condominium	Pasig	World Class Properties, Inc.	60,238
Asian Development Bank – Clark	Pampanga	Asian Development Bank	2,000
Asian Development Bank – Headquarters	Mandaluyong	Asian Development Bank	204,092
AvecShares Asia, Inc.	Taguig	Avecshares Asia, Inc.	12,232
BPI Buendia Center	Makati City	Bank of the Philippine Islands	61,262
Emerson Electric Asia, Ltd. – CGP	Mandaluyong	Emerson Asia, Inc.	3,945
Emerson Electric Asia, Ltd. – RSC	Makati City	Emerson Asia, Inc.	4,819
Emerson Electric Asia, Ltd. – SMPC	Pasig	Emerson Asia, Inc.	10,000
Fisher-Rosemount Systems, Inc.	Pasig	Amberland Corporation	7,378

Project	Location	Developer	GFA (sq.m.)
Glaxo Smith Klein	Makati City	GlaxoSmithKline Philippines, Inc.	9,471
Globe IT Plaza Cebu	Cebu	Globe Telecom, Inc.	12,678
Globe Telecom Pioneer	Mandaluyong	Globe Telecom, Inc.	34,918
Globe Telecom Valero	Makati City	Globe Telecom, Inc.	29,340
Innove Plaza Condominium	Cebu	Prosperity Properties & Management Corporation	12,031
Karrivin Plaza Building	Makati City	Strategic Property Holdings, Inc.	11,157
LV Locsin Codnominium	Makati City	Yntalco Realty Investment Co., Inc.	23,433
Makati Cinema Square	Makati City	MCS Condominium Corporation	20,000
Makati Medical Center	Makati City	Medical Doctors, Inc.	90,467
Medical Plaza Ortigas	Pasig	Meridien Property Ventures, Inc.	34,642
NIDEC Motors Corp.	Pasig	NIDEC Motors Corporation	1,500
One Corporate Center Ortigas	Pasig	Amberland Corporation	117,799
One Corporate Plaza	Makati City	Inchport Realty Corporation	12,034
One Magnificent Mile Condominium	Pasig	Meridien Far East Properties	23,105
One San Miguel Avenue Condominium	Pasig	Amberland Corporation	64,577
Pacific Star Building	Makati City	Penta Pacific Realty Corporation	56,822
PNB Financial Center	Pasay	Philippine National Bank	151,435
Prestige Tower Condominium	Pasig	Amberland Corporation	58,698
Rainmaker Asia	Makati City	Bank of the Philippine Islands	1,000
Solar Century Tower	Makati City	Solar Entertainment Corporation	5,265
Times Plaza Condominium	Makati City	RHL Properties & Development	35,820
Total			**1,259,141**

2.4 PROJECT UPDATES AS OF DECEMBER 31, 2011

Project	Company	Type	Target Market	Location	Total GFA (sq.m.)	Percentage Sold[(1)(2)]	Percentage Completed[(3)]	Total Units	Projected Turnover
Gramercy Residences	CCDC	Residential	Middle-Income	Kalayaan Avenue, Makati City	117,463	96%	85%	1,408	2012
Knightsbridge Residences	CCDC	Residential	Middle-Income	Kalayaan Avenue, Makati City	90,334	99%	45%	1,310	2013
The Milano Residences	CCDC	Residential	Luxury	Kalayaan Avenue, Makati City	61,489	76%	7%	354	2014
Centuria Medical Makati	CCDC	Office	Middle-Income	Kalayaan Avenue, Makati City	67,669	72%	0%	585	2014
Trump Tower Manila	CCDC	Residential	Luxury	Kalayaan Avenue, Makati City	53,584	46%	0%	222	2015
Lifestyle Center	CCDC	Retail	N/A	Kalayaan Avenue, Makati City	49,143	Rent On	5%	—	2013

Project	Company	Type	Target Market	Location	Total GFA (sq.m.)	Percentage Sold(1)(2)	Percentage Completed(3)	Total Units	Projected Turnover
Acqua Private Residences	CLC	Residential	Middle-Income	Banrangay Hulo, Mandaluyong City	198,283	54%	0%	2,819	2014 onwards
Azure Urban Resort Residences(4)	CLC	Residential	Affordable	Barangay Marcelo, Bicutan, Parañaque City	317,143	59%	10%	5,511	2012 onwards
Canyon Ranch(4)	CCC	Residential	Middle-Income	Carmona, Cavite	83,889	96%	80%	955	Ongoing per house
Expected Projects in Century City	CCDC	Residential and/or Office	N/A	Kalayaan Avenue, Makati City	146,027	0%	0%	2,539	N/A
Total					**1,185,024**			**15,703**	

(1) Collections of amounts due on units sold are ongoing.
(2) Percentages are based on total number of units sold in the property.
(3) Percentages are based on stage of development of the property.
(4) Properties developed with a joint venture partner.

2.5 COMPANY OWNED

The Company does not have any property other than its equity participation in its subsidiaries. The Company's subsidiaries, on the othe hand, owns assets mainly land and buildings in property development.

ITEM 3. LEGAL PROCEEDINGS

As of December 31, 2011, the directors and key officers of the Company have no material pending civil or criminal cases filed by or against them.

From time to time, the Company and its Subsidiaries, its Board of Directors and Key Officers are subject to various civil, criminal and administrative lawsuits and other legal actions arising in the ordinary course of our business. Typical cases include adverse claims over title to land, claims for recovery of money and damages and claims for cancellations of sales agreements and refund of deposits.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company held a Special Stockholders Meeting on September 26, 2011 to vote on the following matters which was approved by at least 2/3 of the outstanding capital stock entitled to vote in person or by proxy representing 95.9% of the total outstanding shares: (1) the increase in authorized capital stock to ten billion pesos divided into ten billion common shares to be subscribed by Century Properties Inc through a share swap; (2) the equity restructuring and decrease in authorized capital stock to wipe out the deficit of the Company; (3) the change of corporate name of the Company, amendments to the primary and secondary purposes of the Corporation; (4) the shareholders approval for the additional listing of the Company with the Philippine Stock Exchange; (4) Approval of the proposed Placing and Subscription Transaction of the Company; and (5) the waiver of rights offering requirement under the PSE Listing Rules in connection with the listing of the common shares to be subscribed by CPI out of the increase in the authorized capital stock of the Corporation pursuant to the share swap and waiver of rights offering requirement in connection with the listing of the common shares to be issued to CPI pursuant to the Placing and Subscription Transaction.

Other than those stated herein, there are no other matters submitted to a vote of security holders during the fiscal year covered by this report.

PART II. OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR COMPANY’S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

5.1 MARKET INFORMATION

The shares of the Company consist solely of common shares, which are presently being traded in the Philippine Stock Exchange, Inc. The high and low sales prices for the shares of the Company for each quarter within the last three (3) fiscal years are as follows:

2011 TO BE FURNISHED BY PSE-PENDING	High	Low
First quarter	P0.43	P0.27
Second quarter	0.95	0.26
Third quarter	5.66	0.77
Fourth quarter	2.70	1.67

2010	High	Low
First quarter	P0.37	P0.23
Second quarter	0.36	0.28
Third quarter	0.57	0.23
Fourth quarter	0.47	0.22
2009	High	Low
First quarter	₱0.22	₱0.14
Second quarter	0.40	0.115
Third quarter	0.35	0.26
Fourth quarter	0.31	0.20

As of December 29, 2011, the last trading day of the Company’s shares for the fourth (4^{th}) quarter of the year 2011, the Company’s closing share price is ₱1.94 per share. The closing price as of December 29, 2011, the last trading price for the month is ₱1.70 per share.

5.2 STOCKHOLDERS

The number of shareholders of the Company of record as of December 31, 2011 was Four Hundred Ninety Seven (497). The number of issued and outstanding common shares of the Company as of December 31, 2011 is Seven Billion Five Hundred Sixty Six Million, Three Hundred Ninety One Thousand Twenty Seven (7,566,391,027) . All shares of the Company are common stock.

The top 20 stockholders as of December 31, 2011 are as follows:

Name	Number of Shares Held	% to Total
1. Century Properties Inc.	7,338,281,074	96.985
2. PCD Nominee Corporation (Filipino)	205,142,529	2.71
3. Ernesto B. Lim	12,000,000	0.15
4. PCD Nominee Corporation (Non-Filipino)	4,636,251	0.06
5. Victor S. Chiongbian	3,333,332	0.04

6.	Antonio A. Inductivo	599,990	0.008
7.	Vicente Goquiolay & Co., Inc.	327,600	0.004
8.	Magdaleno B Delmar, Jr.	299,563	0.004
9.	Roman T. Yap	120,000	0.002
10.	Antonio C. Cuyos	115,383	0.002
11.	B.L. Tan Securities, Inc.	100,000	0.002
12.	Alfredo B. Chia	100,000	0.002
13.	Milagros Ileto	100,000	0.002
14.	Orifiel Y. Barredo	65,698	0.002
15.	Eastern Securities Dev't Corporation	60,000	0.001
16.	Tee Ling Kiat&/or Lee Lin Ho	60,000	0.001
17.	Pacifico B. Tacub	50,000	0.001
18.	Roberto Melo	43,200	0.001
19.	Milagros Cicio	40,000	0.001
20.	Marcelo E. Ayes	30,000	0.000

5.3 DIVIDENDS

The Board of Directors of CPMI approved the declaration and payment of cash dividend of P8.00 million and P5.00 million in 2011 and 2010, respectively. These dividends are reflected in the consolidated statements of changes in equity as dividends earned by the common shareholders of CPGI.

CPGI intends to maintain an annual cash dividend payment ratio for the issued and outstanding common shares of the Company of approximately 10% of its consolidated net income from the preceding fiscal year, subject to the requirements of applicable laws and regulations, availability of unrestricted retained earnings and the absence of circumstances which may restrict the payment of such dividends.

5.4 RECENT SALES OF UNREGISTERED OR EXEMPT SECURITIES, INCLUDING RECENT ISSUANCE OFSECURITIES CONSTITUTING AN EXEMPT TRANSACTION

On July 11, 2011, the Company disclosed that CPI has commenced a negotiated purchase thru a Deed of Assignment of Shares of Stock dated May 31, 2011 with EPPECI for the following acquisitions: (1) 67,096,092 common shares ("Public Sale Shares") of East Asia Power Resources Corporation (EAPRC) equivalent to 1.888% of EAPRC and (2) 284,250,000 common and preferred shares ("Private Sale Shares") of EPHE (former Parent Company of EAPRC) resulting to an indirect acquisition of equivalent to 91.695% of the total issued and outstanding capital stock of EAPRC. The purchase price for the Public and Private Sale Shares amounts to a total consideration of Php127,406,794.31 (the "Private Sale Consideration") allocated as follows: Php2,569,732.51 for the Public Sale Shares and Php124,837,061.80 for the Private Sale Shares.

Due to the aforementioned transactions and sale of securities, the Company effected a change in ownership from EPHE to CPI.

On September 26, 2011 as previously discussed in the preceding paragraph, under item 4, the Company entered into a share-swap transaction with its Parent Company, CPI to subscribe for an additional 4,011,671,023 CPGI shares of stock. CPI assigned its shares in its subsidiaries to CPGI based on the aggregate book vales of CPI's shares in the subsidiaries as determined from the audited financial statements of CPMI, CCC, CCDC and CLC for the year ended July 31, 2011

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

NON FINANCIAL OPERATING DATA

Pre-sales by location of buyer	For the year ended December 31, 2009	2010	2011
Pre-sales (in units)			
Philippines	314	676	1,286
International			
Asia Pacific (excluding the Philippines)	48	311	1,271
Americas	211	339	1,000
Europe (excluding the United Kingdom)	44	264	964
United Kingdom	188	417	573
Middle East	111	318	273
Total international pre-sales (in units)	602	1,649	4,081
Total pre-sales (in units)	**916**	**2,325**	**5,367**
Pre-sales (in millions)			
Philippines	P 1,427.6	P 2,660.5	P 6,088.0
International			
Asia Pacific (excluding the Philippines)	213.1	1,150.9	5,180.3
Americas	885.4	1,166.4	2,817.2
Europe (excluding the United Kingdom)	219.5	769.3	2,030.1
United Kingdom	791.5	1,289.4	1,327.9
Middle East	533.4	986.6	923.2
Total international pre-sales (in millions)	2,642.9	5,362.6	12,278.7
Total pre-sales (in millions)	**P 4,070.5**	**P 8,023.1**	**P 18,366.8**

Pre-sales by market segment	For the year ended December 31, 2009	2010	2011
Pre-sales (in units)			
Luxury	0	110	343
Middle Income	894	509	2,725
Affordable	22	1,706	2,298
Total pre-sales (in units)	**916**	**2,325**	**5,367**
Pre-sales (in millions)			
Luxury	P 0.0	P 1,033.2	P 3,940.4
Middle Income	4,010.9	2,330.3	9,203.6
Affordable	59.6	4,659.5	5,222.8
Total pre-sales (in millions)	**P 4,070.5**	**P 8,023.1**	**P 18,366.8**

Luxury: properties in which a majority of the units are priced at P7.0 million and above.

Middle-income: properties in which a majority of the units are priced between P3.5 million and P7.0 million.

Affordable: properties in which a majority of the units are priced below P3.5 million.

RESULTS OF OPERATIONS

Revenues

Real Estate

The Group recorded revenue from real estate sales amounting to P3,760.5 million in the year ended December 31, 2011, an increase of 43.9% from P2,613.0 million in same period last year. This increase was due primarily to significant construction accomplishments of The Gramercy Residences, The Knightsbridge Residences, and the Rio Building in Azure Urban Resort Residences, as well as newly completed units in the Canyon Ranch project.

The Group account for real estate revenue from completed housing and condominium units and lots using the full accrual method. The Group uses the percentage of completion method, on a unit by unit basis, to recognize income from sales where the Group has material obligations under the sales contract to complete after the property is sold. Under this method, revenue is recognize as the related obligations are fulfilled, measured principally in relation to actual costs incurred to date over the total estimated costs. The Group requires payment of 20% to 60% of the total contract price, depending on the type of property being purchased, and buyers are given the duration of the construction period to complete such payment.

- Real estate revenue of Century City Projects increased by 8.3**%** to P2,637.6 million in the year ended December 31, 2011 from P2,435.1 million for the year ended December 31, 2010. This was primarily attributable to the increase in the overall completion of Knightsbridge's sold inventories. Century City Projects cater to the middle income and luxury segment of the market.

- Real estate revenue of Azure Project increased by 4,072.2**%** to P659.2 million in the year ended December 31, 2011 from P15.8 million for the year ended December 31, 2010. This was primarily attributable to the increase in the overall completion of Rio and Santorini Buildings' sold inventories. Azure Project caters to the affordable segment of the market.

- Real estate revenue of Canyon Ranch Project increased by 186.1**%** to P463.7 million in the year ended December 31, 2011 from P162.1 million for the year ended December 31, 2010. This was due primarily to newly completed units. Canyon Ranch Project caters to the middle income segment of the market.

Interest and Other Income

Interest and other income increased by 443.1% to P750.3 million in the year ended December 31, 2011 from P138.1 million in the year ended December 31, 2010. This increase was due primarily to non-cash accretion of unamortized discounts reflecting increased sales in the period and the increase in cumulative sales from prior periods and an increase in income from cancelled sales.

Gain from change in fair value of investment properties

There was no gain from change in fair value of investment properties in the year ended December 31, 2011 as compared to a gain of P148.2 million in the year ended December 31, 2010, as the fair value of our investment properties remained the same during the year ended December 31, 2011.

Property management fee and other services

Property management fee and other services increased by 11.2% to P191.6 million in the year ended December 31, 2011 from P172.3 million in the year ended December 31, 2010. This increase was due primarily to new projects under management and management fee rate escalations for some of the projects under management ranging from 5% to 10%. The number of projects under management increased from 47 as of December 31, 2010 to 51 as of December 31, 2011.

Costs and Expenses

Cost and expenses increased by 23.8% to P3,455.2 million in the year ended December 31, 2011 from P2,791.2 million in the year ended December 31 2010. Costs and expenses as a percentage of total revenues decreased from 90.9% in the year ended December 31, 2010 to 73.5% in the year ended December 31, 2011. The 17.4% net decrease in the account was primarily attributable to the following:

- Cost of real estate sales increased by 44.9% from P1,687.4 million in the year ended December 31, 2010 to P2,444.3 million in the year ended December 31, 2010. This was primarily due to the corresponding growth in revenue from real estate sales.

- Cost of services increased by 18.9% to P141.7 million in the year ended December 31, 2011 from P119.2 million in the year ended December 31, 2010. This was primarily due to increases in salaries, wages and benefits at CPMI as our property management business grew.

- General, administrative and selling expenses decreased by 13.7% to P794.4 million in the year ended December 31, 2011 from P921.0 million in the year ended December 31, 2010. This decrease was primarily due to deferral of marketing activities of newly launched projects with no percentage-of-completion as of December 31, 2011.

- Interest and other financing charges increased by 17.6% to P74.8 million in the year ended December 31, 2011 from P63.6 million in the year ended December 31, 2010. This was primarily due to new project level debt raised during the year.

Provision for Income Tax

Provision for income tax increased by 278.1% to P381.1 million in the year ended December 31, 2011 from P100.8 million in the year ended December 31, 2010. The increase was primarily due to collections on new sales during the period as well as from amortization of accounts sold in previous periods.

Net Income

As a result of the foregoing, net income increased by 382.2% to P866.1 million in the year ended December 31, 2011 from P179.6 million in the year ended December 31, 2010.

FINANCIAL CONDITION

As of December 31, 2011 vs. December 31, 2010

Total assets as of December 31, 2011 were P10,029.4 million compared to P7,555.3 million as of December 31, 2010, or a 32.7% increase. This was due to the following:

- Cash and cash equivalents including short term and long-term cash investments increased by P83.9 million from P282.7 million as of December 31, 2010 to P366.6 million as of December 31, 2011 primarily due to receipt of customers' advances and deposits and from acquisitions on account.

- Receivables increased by 197.3% from P664.1 million to P1,974.6 million due to the revenue recognized during for the year.

- Real estate inventories and land for future development increased by 44.7% from P1,976.0 million to P2,859.1 million due to transfer of land previously classified as investment properties to land held for future development.

- Property and equipment increased by 179.5% from P68.8 million to P192.3 million due to acquisitions made during the year.

Total liabilities as of December 31, 2011 were P5,697.6 million compared to P4,605.4 million as of December 31, 2010, or a 23.7% increase. This was due to the following:

- Accounts and other payables increased by 61.5% from P599.8 million as of December 31, 2010 to P968.5 million as of December 31, 2011 due to accruals made at the end of the year.

- Customers' advances and deposits increased by 50.8% from P1,810.9 million to P2,730.6 million representing collections from customers which do not meet the revenue recognition criteria as of end of the year.

- Short-term and long-term debt representing the sold portion of the Company's installment contracts receivables with recourse, decreased by 28.0% from P1,226.1 million as of December 31, 2010 to P882.5 million as of December 31, 2011 due to repayments made during the year.

- Liabilities for purchased land decreased by 41.3% from P145.2 million as of December 31, 2010 to P85.2 million as of December 31, 2011 due to payments made during the year.

- Income tax payable increased by 297.3% from P37.5 million as of December 31, 2010 to P149.0 million as of December 31, 2011 primarily due to higher taxable income for the year.

Total stockholder's equity net increased by 46.8% to P4,331.6 million as of December 31, 2011 from P2,949.9 million as of December 31, 2010 due to issuance of new shares, restructuring and the net income recorded for the year ended December 31, 2011.

Other Financial Data	As of or for the year ended December 31		
	2011	2010	2009
Return on Assets (1)	9.9%	2.7%	11.8%
Return on Equity (2)	23.8%	6.6%	28.1%
EBIT (3)	1,321.9	344.0	1,006.4
EBITDA (3)	1,367.9	369.8	1,026.3
Total Debt	882.5	1,226.1	274.5
Net Debt (4)	515.9	943.4	138.5
Gross Profit Margin (5)	41.7%	31.7%	52.6%
Net Income Margin (6)	18.4%	5.8%	30.4%
Total debt-to equity ratio	20.4%	41.6%	11.1%
Net debt-to-equity ratio (7)	11.9%	32.0%	5.6%
Debt-to-EBITDA ratio (8)	0.6x	3.3x	0.3x
Net debt-to-EBITDA ratio (9)	0.4x	2.6x	0.1x

Notes:

(1) Return on assets is calculated by dividing net income for the period by average total assets (beginning plus end of the period divided by two) except for 2009,which is calculated by dividing net income for the period by total assets as of December 31, 2009.

(2) Return on equity is calculated by dividing net income for the period by average total equity (beginning plus end of the period divided by two) except for 2009,which is calculated by dividing net income for the period by total equity as of December 31, 2009.

(3) EBIT is calculated as net income after adding back interest expense and provision for income tax. EBITDA is calculated as net income after adding back interest expense, depreciation and amortization and provision for income tax.

(4) Net debt is calculated as total debt less cash and cash equivalents as of the end of the period.
(5) Gross profit from real estate sales margin is calculated as the sum of real estate sales and accretion of unamortized discount (which we record under interest and other income), less the cost of real estate sales, as a percentage of the sum of real estate sales and accretion of unamortized discount, for the period. We believe that including accretion of unamortized discount in this calculation is a useful measure of the profitability of our real estate operations because such unamortized discount forms part of the original contract price of the sales contracts.
(6) Net margin is calculated as net income as a percentage of revenue for the period.
(7) Net debt-to-equity ratio is calculated as net debt divided by total equity as of the end of the period.
(8) Debt-to-EBITDA ratio is calculated as total debt as of the end of the period divided by EBITDA for the period calculated on an annualized basis.
(9) Net debt to EBITDA ratio is calculated as net debt as of the end of the period divided by EBITDA for the period calculated on an annualized basis.

Material Changes to the Company's Balance Sheet as of December 31, 2011 compared to December 31, 2010 (increase/decrease of 5% or more)

Cash and cash equivalents including short term and long-term cash investments increased by P83.9 million from P282.7 million as of December 31, 2010 to P366.6 million as of December 31, 2011 primarily due to receipt of customers' advances and deposits and from acquisitions on account.

Receivables increased by 197.3% from P664.1 million to P1,974.6 million due to the revenue recognized during for the year.

Real estate inventories and land for future development increased by 44.7% from P1,976.0 million to P2,859.1 million due to transfer of land previously classified as investment properties to land held for future development.

Advances to suppliers and contractors increased by 172.4% from P844.5 million as of December 31, 2010 to P2,300.1 million as of December 31, 2011 primarily due to unrecouped down payments and construction fund advanced by the Group to its suppliers and contractors at the end of the year.

Prepayments and other current assets increased by 137.9% from P354.0 million to P842.2 million due to deferral of certain marketing expenses of newly launched projects with no percentage-of-completion as of December 31, 2011.

Property and equipment increased by 179.5% from P68.8 million to P192.3 million due to acquisitions made during the year.

Intangible assets – net decreased by 10.0% from P3.0 million to P2.7 million due to amortization recognized during the year.

Deferred tax assets – net decreased by 9.3% from P211.4 million to P191.8 million due to its utilization against taxable profits during the year.

Other non-current assets increased by 114.3% from P7.0 million as of December 31, 2010 to P15.0 million as of December 31, 2011 due to rentals and other security deposits made during the year.

Accounts and other payables increased by 61.5% from P599.8 million as of December 31, 2010 to P968.5 million as of December 31, 2011 due to accruals made at the end of the year.

Customers' advances and deposits increased by 50.8% from P1,810.9 million to P2,730.6 million representing collections from customers which do not meet the revenue recognition criteria as of end of the year.

Short-term and long-term debt representing the sold portion of the Company's installment contracts receivables with recourse, decreased by 28.0% from P1,226.1 million as of December 31, 2010 to P882.5 million as of December 31, 2011 due to repayments made during the year.

Liabilities for purchased land decreased by 41.3% from P145.2 million as of December 31, 2010 to P85.2 million as of December 31, 2011 due to payments made during the year.

Income tax payable increased by 297.3% from P37.5 million as of December 31, 2010 to P149.0 million as of December 31, 2011 primarily due to higher taxable income for the year.

Total stockholder's equity net increased by 46.8% to P4,331.6 million as of December 31, 2011 from P2,949.9 million as of December 31, 2010 due to issuance of new shares, restructuring and the net income recorded for the year ended December 31, 2011.

Material Changes to the Company's Statement of income for the year ended December 31, 2011 compared to the year ended December 31, 2010 (increase/decrease of 5% or more)

Real estate sales, posted an increase of 43.9% from P2,613.0 million in same period last year. This increase was due primarily to significant construction accomplishments of The Gramercy Residences, The Knightsbridge Residences, and the Rio Building in Azure Urban Resort Residences, as well as newly completed units in the Canyon Ranch project.

Cost of real estate sales increased by 44.9% from P1,687.4 million in the year ended December 31, 2010 to P2,444.3 million in the year ended December 31, 2010. This was primarily due to the corresponding growth in revenue from real estate sales.

Cost of services increased by 18.9% to P141.7 million in the year ended December 31, 2011 from P119.2 million in the year ended December 31, 2010. This was primarily due to increases in salaries, wages and benefits at CPMI as our property management business grew.

General, administrative and selling expenses decreased by 13.7% to P794.4 million in the year ended December 31, 2011 from P921.0 million in the year ended December 31, 2010. This decrease was primarily due to deferral of marketing of newly launched projects with no percentage-of-completion as of December 31, 2011.

Interest and other financing charges increased by 17.6% to P74.8 million in the year ended December 31, 2011 from P63.6 million in the year ended December 31, 2010. This was primarily due to new project level debt raised during the year.

Provision for income tax increased by 278.1% to P381.1 million in the year ended December 31, 2011 from P100.8 million in the year ended December 31, 2010. The increase was primarily due to collections on new sales during the period as well as from amortization of accounts sold in previous periods.

As a result, net income increased by 382.2% to P866.1 million in the year ended December 31, 2011 from P179.6 million in the year ended December 31, 2010.

REVIEW OF YEAR END 2010 VS YEAR END 2009

RESULTS OF OPERATIONS

Real Estate
The Group recorded revenue from real estate sales amounting to P2,613.1 million in the year ended December 31, 2010, an increase of 152.3% from P1,035.6 million in same period last year. This increase was due primarily to significant construction accomplishments of The Gramercy Residences, The Knightsbridge Residences, and the Rio Building in Azure Urban Resort Residences.

The Group account for real estate revenue from completed housing and condominium units and lots using the full accrual method. The Group uses the percentage of completion method, on a unit by unit basis, to recognize income from sales where the Group has material obligations under the sales contract to complete after the property is sold. Under this method, revenue is recognize as the related obligations are fulfilled, measured principally in relation to actual costs incurred to date over the total estimated costs. The Group requires payment of 20% to 60% of the total contract price, depending on the type of property being purchased, and buyers are given the duration of the construction period to complete such payment.

- Real estate revenue of Century City Projects increased by 246.1**%** to P2,435.1 million in the year ended December 31, 2010 from P703.5 million for the year ended December 31, 2019. This was primarily attributable to the increase in the overall completion of Gramercy and Knightsbridge's sold inventories. It was during 2010 that the Group started recognizing revenue from real estate sales on Knightsbridge Project. Century City Projects cater to the middle income and luxury segment of the market.

- During 2010, the Group also started recognition of real estate revenue of Azure Project amounting to P15.8 million. This was primarily attributable to the completion of Rio Buildings' sold inventories. Azure Project caters to the affordable segment of the market.

- Real estate revenue of Canyon Ranch Project decreased by 51.2**%** to P162.1 million in the year ended December 31, 2010 from P332.1 million for the year ended December 31, 2009. This was due primarily attributable to decline in sales take-up of Canyon Ranch Phase 1 and 2. Canyon Ranch Project caters to the middle income segment of the market.

Interest and Other Income
Interest and other income decreased by 47.5% to P138.1 million in 2010 from P263.1 million in 2009. This was primarily due to significant reduction in sales cancellations during the year. Accordingly, income from cancelled sales also decreased.

Gain from change in fair value of investment properties
Gain from change in fair value of investment properties decreased by 81.8% to P667.9 million in 2010 from P816.1 million in 2009. This decrease was due primarily to minimal increase in valuation of our investment properties in 2010 as compared to a significant appreciation in 2009.

Property management fee and other services
Property management fee and other services increased by 8.7% to P172.3 million in 2010 from P158.5 million in 2009. This increase was due primarily to new projects under management and management fee rate escalations for some of the projects under management ranging from 5% to 10%. The number of projects under management increased from 42 as of December 31, 2009 to 47 as of December 31, 2010.

Costs and Expenses

Cost and expenses increased by 111.9% to P2,791.2 million in the year ended December 31, 2010 from P1,317.5 million in the year ended December 31 2009. Costs and expenses as a percentage of total revenues increased from 58.0% in the year ended December 31, 2010 to 90.9% in the year ended December 31, 2009. The 32.9% net increase in the account was primarily attributable to the following:

- Cost of real estate sales increased by 215.1% from P535.5 million in the year ended December 31, 2009 to P1,687.4 million in the year ended December 31, 2009. This was primarily due to the corresponding growth in revenue from real estate sales.

- Cost of services increased by 18.1% to P119.2 million in the year ended December 31, 2010 from P100.9 million in the year ended December 31, 2009. This was primarily due to increases in salaries, wages and benefits at CPMI as our property management business grew.

- General, administrative and selling expenses increased by 46.1% to P921.0 million in the year ended December 31, 2010 from P630.5 million in the year ended December 31, 2009. This was primarily due to extensive marketing activities to promote new projects that generated higher pre-sales and the recognition of such expenses based on the percentage of completion method.

- Interest and other financing charges increased by 25.7% to P63.6 million in the year ended December 31, 2010 from P50.6 million in the year ended December 31, 2009. This was primarily due to significant draw downs on new credit facilities.

Provision for Income Tax

Provision for income tax decreased by 61.8% to P100.8 million in 2010 from P264.0 million in 2009 since most of the accounts qualified under full accrual in 2009. Thus, significant tax dues were already recognized in 2009.

Net Income

As a result of the foregoing, our net income decreased by 74.0% to P179.6 million in 2010 from P691.7 million in 2009.

FINANCIAL CONDITION

As of December 31, 2010 vs. December 31, 2009

Total assets as of December 31, 2010 were P7,555.3 million compared to P5,838.9 million as of December 31, 2009, or a 29.4% increase. This was due to the following:

- Cash and cash equivalents including short term and long-term cash investments increased by 107.9% from P136.0 million as of December 31, 2009 to P282.7 million as of December 31, 2010 primarily due to proceeds of short-term and long-term debt raised during the year.

- Receivables increased by 417.2% from P128.4 million to P664.1 million due to the revenue recognized during for the year.

- Real estate inventories and land for future development increased by 11.9% from P1,765.4 million to P1,976.0 million due to transfer of land previously classified as investment properties to land held for future development.

- Property and equipment declined by 14.1% from P80.1 million to P68.8 million due to depreciation and amortization recognized during the year.

Total liabilities as of December 31, 2010 were P4,605.4 million compared to P3,374.8 million as of December 31, 2009, or a 36.5% increase. This was due to the following:

- Accounts and other payables decreased by 5.6% from P635.5 million as of December 31, 2009 to P599.8 million as of December 31, 2010 due to settlement of accruals made at the end of 2009.

- Short-term and long-term debt representing the sold portion of the Company's installment contracts receivables with recourse, increased by 346.5% from P274.5 million as of December 31, 2009 to P1,226.1 million as of December 31, 2010 due to significant draw down on new credit facilities during the year.

- Liabilities for purchased land decreased by 38.6% from P236.4 million as of December 31, 2009 to P145.2 million as of December 31, 2010 due to payments made during the year.

- Income tax payable decreased by 16.5% from P44.9 million as of December 31, 2009 to P37.5 million as of December 31, 2010 primarily due to lower taxable income for the year.

Total stockholder's equity net increased by 19.7% to P2,949.9 million as of December 31, 2010 from P2,464.3 million as of December 31, 2009 due to net income recorded for the year ended December 31, 2010.

Material Changes to the Company's Balance Sheet as of December 31, 2010 compared to December 31, 2009 (increase/decrease of 5% or more)

Cash and cash equivalents including short term and long-term cash investments increased by 107.9% from P136.0 million as of December 31, 2009 to P282.7 million as of December 31, 2010 primarily due to proceeds of short-term and long-term debt raised during the year.

Receivables increased by 417.2% from P128.4 million to P664.1 million due to the revenue recognized during for the year.

Real estate inventories and land for future development increased by 11.9% from P1,765.4 million to P1,976.0 million due to transfer of land previously classified as investment properties to land held for future development.

Advances to suppliers and contractors increased by 278.5% from P223.1 million as of December 31, 2009 to P844.5 million as of December 31, 2010 primarily due to unrecouped down payments and construction fund advanced by the Group to its suppliers and contractors at the end of the year.

Prepayments and other current assets increased by 35.1% from P262.1 million to P354.0 million due to deferral of certain marketing expenses of newly launched projects with no percentage-of-completion as of December 31, 2010.

Property and equipment declined by 14.1% from P80.1 million to P68.8 million due to depreciation and amortization recognized during the year.

Intangible assets – net decreased by 18.9% from P3.7 million to P3.0 million due to amortization recognized during the year.

Deferred tax assets – net increased by 113.3% from P99.1 million to P211.4 million due to recognition of future deductible tax items during the year.

Other non-current assets increased by 311.8% from P1.7 million as of December 31, 2009 to P7.0 million as of December 31, 2010 due to rentals and other security deposits made during the year.

Accounts and other payables decreased by 5.6% from P635.5 million as of December 31, 2009 to P599.8 million as of December 31, 2010 due to settlement of accruals made at the end of 2009.

Short-term and long-term debt representing the sold portion of the Company's installment contracts receivables with recourse, increased by 346.5% from P274.5 million as of December 31, 2009 to P1,226.1 million as of December 31, 2010 due to significant draw downs on new credit facilities during the year.

Liabilities for purchased land decreased by 38.6% from P236.4 million as of December 31, 2009 to P145.2 million as of December 31, 2010 due to payments made during the year.

Income tax payable decreased by 16.5% from P44.9 million as of December 31, 2009 to P37.5 million as of December 31, 2010 primarily due to lower taxable income for the year.

Total stockholder's equity net increased by 19.7% to P2,949.9 million as of December 31, 2010 from P2,464.3 million as of December 31, 2009 due to net income recorded for the year ended December 31, 2010.

Material Changes to the Company's Statement of income for the year ended December 31, 2010 compared to the year ended December 31, 2009 (increase/decrease of 5% or more)

Real estate sales increased by 152.3% from P1,035.6 million in same period last year. The increase was due primarily to significant construction accomplishments of The Gramercy Residences, The Knightsbridge Residences, and the Rio Building in Azure Urban Resort Residences.

Interest and other income decreased by 47.5% to P138.1 million in 2010 from P263.1 million in 2009. This was primarily due to significant reduction in sales cancellations during the year. Accordingly, income from cancelled sales also decreased.

Gain from change in fair value of investment properties decreased by 81.8% to P667.9 million in 2010 from P816.1 million in 2009. This decrease was due primarily to minimal increase in valuation of our investment properties in 2010 as compared to a significant appreciation in 2009.

Property management fee and other services increased by 8.7% to P172.3 million in 2010 from P158.5 million in 2009. This increase was due primarily to new projects under management and management fee rate escalations for some of the projects under management ranging from 5% to 10%. The number of projects under management increased from 42 as of December 31, 2009 to 47 as of December 31, 2010.

Cost of real estate sales increased by 215.1% from P535.5 million in the year ended December 31, 2009 to P1,687.4 million in the year ended December 31, 2009. This was primarily due to the corresponding growth in revenue from real estate sales.

Cost of services increased by 18.1% to P119.2 million in the year ended December 31, 2010 from P100.9 million in the year ended December 31, 2009. This was primarily due to increases in salaries, wages and benefits at CPMI as our property management business grew.

General, administrative and selling expenses increased by 46.1% to P921.0 million in the year ended December 31, 2010 from P630.5 million in the year ended December 31, 2009. This was primarily due to extensive marketing activities to promote new projects that generated higher pre-sales and the recognition of such expenses based on the percentage of completion method.

Interest and other financing charges increased by 25.7% to P63.6 million in the year ended December 31, 2010 from P50.6 million in the year ended December 31, 2009. This was primarily due to significant draw downs on new credit facilities.

Provision for income tax decreased by 61.8% to P100.8 million in 2010 from P264.0 million in 2009 since most of the accounts qualified under full accrual in 2009. Thus, significant tax dues were already recognized in 2009.

As a result of the foregoing, our net income decreased by 74.0% to P179.6 million in 2010 from P691.7 million in 2009.

ITEM 7. FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries are filed as part of this Form 17-A.

ITEM 8. INFORMATION ON INDEPENDENT ACCOUNTANTS

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

On September 26, 2011, the Company held its Special Annual Stockholders Meeting wherein SGV and Co. was appointed as the external auditors of the Company for the years 2011 and 2012, and to serve as such until their successor shall have been appointed and qualified. SGV and Company was also the external auditors of the Company and its subsidiaries for 2009 and 2010. There have been no disagreements with the current and previous accountants on accounting and financial disclosures.

External Audit Fees

For the audits of the financial statements of CPGI and all its subsidiaries, the aggregate fees for the audit services of SGV and Co. for 2011 inclusive of VAT amounted to P17.7 million. Fees for the years 2010 and 2009, inclusive of VAT, amounted to ₱ 2.8 million and ₱ 2.1 million respectively.

The Audit Committee recommends to the Board of Directors the discharge or nomination of the external auditor to be proposed for shareholder approval at CPGI's annual shareholders meeting, approve all audit engagement fees and terms of the external auditor, and review its performance. It also reviews and discuss with management and the external auditors the results of the audit, including any difficulties encountered. This review includes any restrictions on the scope of the external auditor's activities or on access to requested information, and any significant disagreements with Management.

The Audit Committee also evaluates, determines and pre-approves any non-audit service provided to the Company and its subsidiaries by the external auditors and keep under review the non-audit fees paid to the external auditors both in relation to their significance to the auditor and in relation to the total expenditure on consultancy.

PART III. CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

Directors and Executive Officers

The directors of the Company are elected at the regular annual stockholders' meeting. They hold office for a term of one (1) year until the next succeeding annual meeting and until their respective successors have been elected and qualified. The executive officers hold office until their respective successors have been elected and qualified.

The directors and executive officers of the Company as of December 31, 2011 areas follows:

Name of Director	**Position**	**Age**
Jose E.B. Antonio	Chairman of the Board, President and CEO	65
John Victor R. Antonio	Director and Co. COO	39
Jose Marco R. Antonio	Director and Co. COO	37
Jose Roberto R. Antonio	Director and Co. COO	35
Jose Carlo R. Antonio	Director and Chief Financial Officer	28
Ricardo Cuerva	Director	67
Rafael G. Yaptinchay	Director and Treasurer	61
Washington Z. Sycip	Independent Director	90
Monico V. Jacob	Independent Director	66
Brigida S.Aldeguer	Corporate Secretary	60
Domie S. Eduvane	Senior Vice President for Legal and Corporate Affairs	47
Carlos Benedict K. Rivilla, IV	Assistant Vice President for Corporate Affairs and Assistant Corporate Secretary	40
Gerry Joseph Albert Ilagan	Vice President for Human Resources and Sales Management	32
Maria Theresa Fucanan – Yu	Vice President for Corporate Communications	32
Neko Lyree Uson – Cruz	Compliance Officer and Corporate Information Officer	41

Mr. Jose E.B. Antonio, 65 years old, Filipino, is one of the founders and Chairman of the Company and its subsidiaries. He graduated cum laude from San Beda College, Manila in 1966 with a Bachelor's Degree in Commercial Science (major in Marketing) and received a Masters Degree in Business Management in 1968 from Ateneo de Manila's Graduate School of Business. Chairman Antonio also graduated from Harvard University's Owner/President Management Program in 2003. Chairman Antonio served as the Philippines Special Envoy for Trade and Economics to the People's Republic of China in 2005 and is currently the Chairman of Century Asia Corporation, Prestige Cars, Inc. and Philtranco Service Enterprises. He is also the founder and Chairman of the Philippine-China Business Council Inc. In addition, he serves as the Vice Chairman of Penta Pacific Realty Corporation and Subic Air Charter, Inc.

Mr. John Victor R. Antonio, 39 years old, Filipino, is Co-Chief Operating Officer and a Managing Director of the Company. He has been with the Company for 17 years and is involved in managing projects in the Company's middle income and affordable product lines, including Gramercy Residences and Azure Urban Residences. He graduated magna cum laude with a Bachelor's Degree in Economics (major in Marketing) from the University of Pennsylvania's Wharton School in 1993 and received his Masters Degree in Business Administration from the Wharton School in 2003.

Mr. Jose Marco R. Antonio, 37 years old, Filipino, is Co-Chief Operating Officer and a Managing Director of the Company. Prior to joining us, he worked at Blackstone Real Estate Partners as a financial analyst. He has been with the Company for 16 years and is involved in managing projects in the Company's middle income and affordable product lines, including Canyon Ranch, Knightsbridge Residences and Acqua Private Residences. He graduated summa cum laude with a Bachelor's Degree in Economics (dual major in Finance and Entrepreneurial Management) from the University of Pennsylvania's Wharton School in 1995 and received his Masters Degree in Business Administration from the Wharton School in 2004.

Mr. Jose Roberto R. Antonio, 35 years old, Filipino, is a Managing Director of the Company. He is involved in managing projects in the Company's luxury product line, including Milano Residences and Trump Tower Manila. He graduated with a Bachelor's Degree in Economics from Northwestern University and obtained his Masters Degree in Business Administration from Stanford University. He joined the Company in 2009 after spearheading Antonio Development in New York City, which developed the luxury condominium Centurion, located on 56th Street between 5th and 6th Avenue, steps from Central Park.

Mr. Jose Carlo R. Antonio, 28 years old, Filipino, is the CFO of the Company and a member of our Board. Prior to joining the Company in 2007, he worked in the investment banking groups of Citigroup and Goldman Sachs. He graduated magna cum laude with a Bachelor's Degree in Economics (major in Finance) from the University of Pennsylvania's Wharton School in 2005.

Mr. Ricardo Cuerva, 67 years old, Filipino, is a member of our Board. Mr. Cuerva was a co-founder of Meridien and served as Meridien's president from 1988 to 1996. He also currently serves as a member of the Rotary Club of Makati City. Mr. Cuerva graduated from San Beda College in 1961 with a Bachelor of Science Degree in Business Administration and obtained his Masters Degree in Business Administration from Ateneo De Manila in 1971. Mr. Cuerva is the President and owner of Century Project Management and Construction Corporation, which oversees the construction of our vertical developments.

Mr. Rafael G. Yaptinchay, 61 years old, Filipino, is the Treasurer of the Company and a member of our Board. Mr. Yaptinchay was a co-founder of Meridien and served as Meridien's president from 1996 to 2009. He has previously served as the Assistant Treasurer and Head of Business Development/Corporate Planning of Philippine National Construction Corporation. Mr. Yaptinchay is a member of the Rotary Club of Ortigas and the Association of Asian Manager, Inc. Mr. Yaptinchay graduated from Ateneo de Manila University in 1971 with a Bachelor's Degree (major Economics) and received his Masters Degree in Business Administration from Asian Institute of Management in 1974.

Mr. Washington Z. Sycip, 90 years old, American and a resident of the Philippines, is the founder of the Asian Institute of Management and the founder of Sycip Gorres Velayo and Company, a leading accounting firm in the Philippines. Mr. Sycip has received numerous awards in the field of accountancy and consultancy and is the recipient of the 1992 Ramon Magsaysay Award for International Understanding. He currently holds numerous advisory and consultancy commitments domestically and abroad and is also involved in many philanthropic projects. Mr. Sycip graduated summa cum laude from the University of Santo Tomas, Philippines with a Bachelor of Science Degree in Commerce and a Master of Science Degree in Commerce. Mr. Sycip also received a Master of Science Degree in Commerce from Columbia University.

Mr. Monico V. Jacob, 66 years old, Filipino, holds a Law Degree from the Ateneo de Manila University and a Bachelor of Arts Degree from Ateneo de Naga. He is currently the President and CEO of STI Education Services Group, PhilPlans First Inc. and Philhealth Care Inc. He is a member of the Board of Directors of Total Consolidated Asset Management, Inc., Jollibee Foods, Inc., Mindanao Energy and Phoenix Petroleum Philippines. Prior to his current appointments, Mr. Jacob was the General Manager of the National Housing Authority and CEO of the Pag-IBIG Fund. He was also Chairman and CEO of Petron Corporation, where he presided over its privatization. Mr. Jacob was also the Chairman and CEO of the Philippine National Oil Company ("PNOC") and all of its subsidiaries. As CEO of the PNOC, he presided over the privatization of the

PNOC Dockyard and Engineering Corporation. He has been heavily involved in corporate recovery work including rehabilitation receiverships and restructuring advisory in the following firms: The Uniwide Group of Companies; ASB Holdings, Inc.; RAMCAR Group of Companies; Atlantic Gulf and Pacific Company of Manila, Inc.; Petrochemicals Corporation of Asia-Pacific; and All Asia Capital and Trust Corporation, now known as Advent Capital and Finance Corporation. Mr. Jacob was also a member of the Permanent Rehabilitation Receiver Committee of Philippine Airlines where he was active in policy formulation for corporate recovery.

Atty. Brigida S. Aldeguer, 60 years old, Fipino, is the Corporate Secretary of the Company. She is also a Partner of the Angara Abello Concepcion Regala & Cruz Law Offices ("ACCRALAW"). Ms. Aldeguer obtained her degree in AB Political Science from the University of the Philippines and her J.D. in Law from the Ateneo de Manila School of Law in 1991. Before joining ACCRALAW, she was connected with the Philippine Coconut Producers Federation, Inc. (COCOFED) as senior manager for its National Secretariat.

Mr. Domie S. Eduvane, 47 years old, Filipino, is the Senior Vice-President for Legal and Corporate Affairs of the Company. He graduated magna cum laude from Far Eastern University, Manila with a Bachelor of Arts Degree in Economics and obtained his law degree from San Beda College of Law, Manila in 1994. Prior to joining the Company, he served as the Vice-President for Legal and Corporate Affairs and Human Resources for Empire East Properties, Inc., an affiliate of Megaworld Corporation. He also worked as Court Attorney with the Court of Appeals, Manila and was an Associate with Bengzon Zarraga Cudala Liwanag & Jimenez Law Offices as well as a Partner of Yrreverre Rondario & Associates Law Office.

Mr. Carlos Benedict K. Rivilla IV, 40 years old, Filipino, is the Assistant Vice-President for Corporate Affairs of the Company. As part of his experience in the business sector, he served as Corporate Compliance Officer and Vice-President for Finance in a corporation engaged in mass media for four years in Cebu City and also previously handled Corporate Affairs for the Company and served as Director and Corporate Secretary of various businesses in Makati City. He joined the Company in 2007. Mr. Rivilla is a graduate of University of San Jose Recoletos. Mr. Rivilla was appointed Assistant Corporate Secretary on August 17, 2011.

Ms. Neko Lyree U. Cruz, 41 years old, Filipino, is the Company's Compliance Officer. She also serves as the Corporate Information Officer of the Company. Prior to joining us, she was formerly a Marketing Assistant for Values Media Inc. and the United Coconut Planters Bank. She graduated from Assumption College with a Bachelor of Arts degree in Public Relations. Ms. Cruz was appointed Compliance Officer and Corporate Information Officer on November 27, 2008.

Mr. Gerry Joseph Albert L. Ilagan, 32 years old, Filipino, is the Vice-President for Human Resources and Sales Management of the Company. He graduated with academic distinction from San Beda College with a Bachelor's Degree in Human Resources Development and Philosophy. He also attended De La Salle College of St. Benilde's School of Professional and Continuing Education where he received a diploma in Organizational Development and a diploma in Human Resources. He is a licensed Real Estate Broker with more than 10 years of human resources and sales management experience gained from several multinational and Philippine companies. Mr. Ilagan also worked with Sun Microsystems Philippines Inc. and Crown Asia Properties Inc. prior to joining the Company.

Ms. Teresita Fucanan Yu, 32 years old, Filipino, is the Vice-President for Corporate Communications of the Company. As part of her corporate background, she served as Assistant Vice-President and Public Relations Manager of the Company. Prior to joining the Company in 2007, she served as an editor and reporter for various sections of The Manila Times. Ms. Fucanan graduated cum laude with a Bachelor's Degree in Journalism from the University of Santo Tomas in 2001.

All the directors and members of the senior management of the Company possess a high degree of integrity and character and are fully capable and able to perform their duties as directors and members of senior management, respectively.

Family Relationships

Except for Messrs. Jose E.B. Antonio, John Victor R Antonio, Jose Marco R. Antonio, Jose Roberto R. Antonio and Jose Carlo R. Antonio, none of the above indicated Directors and Senior Officers are bound by any familial relationships with one another up to the fourth civil degree, either by consanguinity or affinity.

Messrs. John Victor R Antonio, Jose Marco R. Antonio, Jose Roberto R. Antonio and Jose Carlo R. Antonio are brothers while Mr. Jose E.B. Antonio is their father.

Involvement in Certain Legal Proceedings

The Company is not aware of the occurrence of any of the following events during the five (5) years immediately preceding the filing of this Annual Report for the year 2011: (a) any bankruptcy petition filed by or against any business of which any director or executive officer was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (b) any conviction by final judgment, of any director or executive officer in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses; (c) of any director or executive officer being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign permanently or temporarily enjoining, barring, suspending or otherwise limiting such director's or executive officer's involvement in any type of business, securities, commodities or banking activities; and (d) any director or executive officer being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

ITEM 10. EXECUTIVE COMPENSATION

Information as to the aggregate compensation paid or accrued during the last two fiscal years and to be paid in the ensuing fiscal year to the executive officers and senior management follows:

Name and Principal Position	Year	Salary (₱)	Bonus (₱)	Other Annual Compensation
Jose E.B. Antonio (President and CEO) John Victor R. Antonio (Director and Co. COO) Jose Marco R. Antonio (Director and Co. COO) Jose Roberto R. Antonio (Director) Jose Carlo R. Antonio (Director and CFO) Rafael G. Yaptinchay (Director and Treasurer) Domie S. Eduvane (SVP for Legal and Corporate Affairs) Carlos Benedict K Rivilla IV (AVP for Corporate Affairs and Asst. Corporate Secretary) Gerry Joseph Albert L. Ilagan (VP for HRAD and Sales Management) Maria Theresa Fucanan-Yu (VP for Corporate Communications) Neko Lyree Uson-Cruz (Compliance Officer and Corporate Information Officer)				
Aggregate executive compensation for above named officers	Actual 2009 Actual 2010 Actual 2011 Projected 2012	P26.3 million P27.3 million P41.4 million P46.1 million	None None None None	None None None None

The Company does not have any standard arrangement or other arrangements with its directors and, as previously mentioned, the directors of the Company do not receive any compensation for acting in such capacity, except for the independent director who receives an honorarium at the end of the year, computed at the rate of Fifty Thousand Pesos (₱50,000.00) for every meeting actually attended. As regards the employment contracts between the Company and the executive officers, the Company employs the same standard employment contract applicable to all its officers and employees. The Company has not issued and/or granted stock warrants or options in favor of its officers and employees.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT

11.1 Security Ownership of Certain Record and Beneficial Owners

As of December 31, 2011, the Company knows of no one who owns in excess of 5% of the Company's common stock other than those set forth in the table below.

Title of Class	Name and Address of Record Owner and relationship with Issuer	Name of Beneficial Owner and relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common	Century Properties Inc. (21st Floor, Pacific Star Building, Sen Gil Puyat corner Makati Avenue Makati City)	-CPI-[1] Jose Carlo R. Antonio Duly authorized representative	Filipino	7,338,281,074	96.985

11. 2 Security Ownership of Management

The amount and nature of the ownership of the Company's shares by the Company's directors and officers, as of December 31, 2011, is set forth in the table below.

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Jose E.B. Antonio	1 – "r"	Filipino	0.000000028
Common	John Victor R. Antonio	1 – "r"	Filipino	0.000000028
Common	Jose Marco R. Antonio	1 – "r"	Filipino	0.000000028
Common	Jose Roberto R. Antonio	1 – "r"	Filipino	0.000000028
Common	Jose Carlo R. Antonio	1 – "r"	Filipino	0.000000028
Common	Rafael G. Yaptinchay	1 – "r"	Filipino	0.000000028
Common	Ricardo Cuerva	1 – "r"	Filipino	0.000000028
Common	Washington Z. Sycip	1 – "r"	American	0.000000028
Common	Monico V. Jacob	1 – "r"	Filipino	0.000000028
Common	Domie S. Eduvane	-	Filipino	-
-	Neko Lyree Uson-Cruz	-	Filipino	-
-	Brigida S. Aldeguer	-	Filipino	-
-	Carlos Benedict K. Rivilla, IV	-	Filipino	-
-	Gerry Joseph Ilagan	-	Filipino	-
-	Maria Theresa Fucanan –Yu	-	Filipino	-
Common	Aggregate Amount of Ownership of all Directors and Officers as a Group Unnamed	9 – "r"		0.00028%

[1] CPI votes during the stockholders' meeting of the Company. CPI has designated Mr. Jose Carlo R. Antonio (Treasurer of CPI), or in his absence, Mr. Jose Marco R. Antonio (EVP of CPI), or in the latter's absence, Mr. Jose Roberto R. Antonio (Director of CPI), as its proxy to vote during the stockholders' meeting of the Company.

11.3 Voting Trust Holders of 5% or More

As of December 31, 2011, the Company does not know of any person who holds more than 5% of its common shares of stock under a voting trust or similar agreement.

11.4 Changes in Control

On May 31, 2011, the Company has been made aware that El Paso Philippines Energy Company, Inc.'s ("EPPECI") entered into an agreement with Century Properties, Inc. ("CPI"), providing for the terms and conditions for the purchase by CPI of EPPECI's 284,250,000 issued and outstanding fully-paid and preferred shares of stocks of EPHE and 67,096,092 issued and outstanding fully-paid common shares of stock in the Company, which will thereby effect a change in the ownership and control of the Company.

On July 11, 2011, the Company further disclosed that CPI has commenced a negotiated purchase thru a Deed of Assignment of Shares of Stock dated May 31, 2011 with EPPECI for the following acquisitions: (1) 67,096,092 common shares ("Public Sale Shares") of the Company equivalent to 1.888% of the Company and (2) 284,250,000 common and preferred shares ("Private Sale Shares") of EPHE resulting to an indirect acquisition of equivalent to 91.695% of the total issued and outstanding capital stock of the Company. The purchase price for the Public and Private Sale Shares amounts to a total consideration of Php127,406,794.31 (the "Private Sale Consideration") allocated as follows: Php2,569,732.51 for the Public Sale Shares and Php124,837,061.80 for the Private Sale Shares.

On the same date, CPI and the Company executed and signed two (2) Deeds of Assignment of Shares of Stock effectively superseding the May 31, 2011 Deed of Assignment to finally close the above-mentioned acquisitions (1) Public Sale Shares and (2) Private Sale Shares. The July 11, 2011 Deeds of Assignment contained the same terms and conditions as stated in the May 31, 2011 Deed of Assignment thereby effecting a change in the ownership and control of the Company.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

In January 2011, CPI issued a P1.6 billion convertible bond due 2016 to APG, a public limited liability company incorporated under the laws of the Netherlands. The convertible bond was secured by receivables from the Subsiaries projects at a ratio of 1.35x of receivables for every 1.00x of principal. The proceeds of the convertible bond were used to fund projects and for general working capital requirements.

On February 20, 2012, CPGI, together with (CPI) and APG Strategic Real Estate Pool N.V. (APG), a Netherlands-based pension firm entered into a Purchase Agreement wherein CPI sold its 868,316,042 CPGI shares of stock in favor of APG. This transaction was pursuant to the convertible bond issued by CPI to APG in January 2011. Instead of converting the convertible bond into shares of CPI, APG and CPI entered into a Purchase Agreement under which APG purchased the convertible bond from CPI. The consideration consists of (i) 868,316,042 CPGI shares owned by CPI and (ii) cash consideration. As a result of such transaction, CPI retired the convertible bond concurrently with the sale of the CPGI shares to APG.

Other than the above and those disclosed in this annual report and in the consolidated financial statements, there are no other transaction entered into by the Company on one hand, with any of its directors, officers or stockholders on the other.

A complete description and the balances of the related party transactions are outlined in notes of the accompanying consolidated financial statements.

PART IV.   CORPORATE GOVERNANCE

Evaluation system to measure or determine level of compliance with the Manual of Corporate Governance

The Company has undertaken constant self-rating assessment and performance evaluation exercises in relations to its Corporate Governance policies both for the purpose of monitoring compliance and instill deeper awareness and observance.

Measures undertaken to comply with leading practices

The Compliance Officer has been tasked to keep abreast of such developments and to constantly disseminate relevant information in this regard.

Deviations from the Manual on Corporate Governance

No deviation has been noted to date.

Plans to improve

Possible improvements in the Company's corporate governance policies and practices are being constantly studied and reviewed. On January 11, 2012, the Company revised its Manual of Corporate Governance in compliance with SEC Memorandum No. 006 series of 2009.

PART V. EXHIBITS AND SCHEDULES

Item 14.**EXHIBITS AND REPORTS ON SEC FORM 17-C**

Exhibits

EXHIBIT
Statement of Management's Responsibility
Consolidated Financial Statements
Supplementary Schedules

Reports on SEC Form 17-C

During the last twelve-month period covered by this report under SEC Form 17-C, the Company submitted the following notices to the Corporation Finance Department of the SEC disclosing certain events affecting the Company that had transpired:

Date Submitted:	Report and Event:
January 28, 2011	Corporate Governance Certification of Compliance; Certification of Director's Attendance; Corporate Governance – Self Rating Form
May 24, 2011	EAPRC disclosure on the assignment of 12,044,500 shares of East Asia Diesel Power (EADPC) to YNN Holdings Corporation; EAPRC assignment of all credit interests of EADPC and Its subsidiary, Duracom Mobile Power Corporation (DMPC) to YNN; EAPRC Postponement of Annual Stockholders Meeting from June to July 08, 2011.

May 27, 2011	Closing Transaction Agreement between EAPRC and YNN on (1) Credit Interests Deed of Assignment of EADPC and DMPC to YNN (2) Deed of Assignment of EADPC Shares of Stock to YNN.
May 31, 2011	Purchase Agreement entered between El Paso Philippines Energy Company Inc. (EPPECI) and Century Properties Inc. (CPI) for EPPECI's common and preferred shares of 284,250,000 issued and outstanding shares of stock of EPHE and 67,096,092 EAPRC common shares resulting in the change of ownership and control of EAPRC.
July 08, 2011	Results of the Annual Stockholders Meeting of the Company
July 11, 2011	Closing Sale Agreement between EPPECI and CPI on the following acquisitions: (1) 67,096,092 EAPRC common shares of stock equivalent to 1.888% of EAPRC and (2) 284,250,000 common and preferred shares of EPHE resulting in the indirect acquisition of equivalent to 91,695% of the total and outstanding capital stock of EAPRC.
July 12, 2011	Results of Special Board Meeting of the Board; Filing of SEC Form 19-1 Final Tender Offer Report
August 17, 2011	Results of the Special Meeting of the Board on the following (1) Setting of Special Stockholders Meeting of the Company on September 26, 2011 and record date of 02 September 2011; (2) Amendments to the Articles and By-laws; (3) Change of Name; (4) Increase in the Authorized Capital Stock of the Company; (5) Equity Restructuring, Decrease in Capital to eliminate deficit (6) Proposed Placing and Subscription Transaction.
September 19, 2011	Results of the Special Board of Directors Meeting on the following (1) Approval of the Interim Financial Statements as of July 31, 2011 (2) Fairness Opinion by Punongbayan (3) Resolution on the new par value of the Company
September 26, 2011	Results of the Special Stockholders Meeting
September 30, 2011	Disclosure on the SEC approval of the Articles of Merger between EPHE and CPI
November 02, 2011	Disclosure on the SEC approval of the Amendments to the Articles and By-laws of Company for (1) Change of Name to Century Properties Group Inc. (2) Increase in Capital Stock (3) Equity Restructuring and Decrease in Capital Stock to Ten Billion Shares at 0.53 par value

Reports on SEC Form 17-C as amended during the last six months

-None-