

**STRICTLY CONFIDENTIAL**

The Stockholders and the Board of Directors  
Century Properties Group Inc. (the "Company")  
21st Floor Pacific Star Building  
Sen. Gil Puyat corner Makati Avenue  
Makati City

We have performed the procedures agreed with you for the reconciliation of retained earnings available as of December 31, 2017. Our engagement was undertaken in accordance with the Philippine Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. These procedures were performed solely to assist you in your application for approval by the Philippine Securities and Exchange Commission's (SEC) of the proposed retail bond offering of the Company.

Summarized below are the procedures performed and our findings:

*Procedures Performed*

- a. We obtained the December 31, 2017 schedule of retained earnings available for dividend declaration;
- b. We checked the mathematical accuracy of the schedule of retained earnings available for dividend declaration;
- c. We checked whether the schedule of retained earnings available for dividend declaration is presented in accordance with the prescribed format as per Securities Regulation Code 68, As Amended (2011); and
- d. We traced the reconciling items pertaining to net income, dividends declared and treasury shares to the parent company financial statements of the Company as of December 31, 2017 as filed with the SEC.

*Findings*

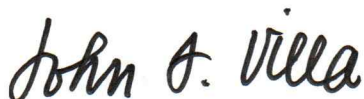
With respect to items (b) to (d), we noted no exceptions.

Please refer to the attached Schedule of Retained Earnings Available for Dividend Declaration.

Because the above procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standards on Review Engagement (PSRE), we do not express any assurance on the financial statements or accounts of the Company.

This report is intended solely for the information and use of the Board of Directors and management of the Company and for filing with the SEC for the purpose indicated above, and should not be used for any other purpose or referred to in whole or in part or quoted by excerpt or reference without our knowledge and consent. This report relates only to the accounts and items specified above and do not extend to any financial statements of the Company, taken as a whole.

SYCIP GORRES VELAYO & CO.



John T. Villa

Partner

CPA Certificate No. 94065

SEC Accreditation No. 1729-A (Group A),

December 18, 2018, valid until December 17, 2021

Tax Identification No. 901-617-005

BIR Accreditation No. 08-001998-76-2018,

February 26, 2018, valid until February 25, 2021

PTR No. 7332628, January 3, 2019, Makati City

March 7, 2019

**SCHEDULE OF RETAINED EARNINGS  
AVAILABLE FOR DIVIDEND DECLARATION**

As of December 31, 2017

**CENTURY PROPERTIES GROUP INC.**

21st Floor Pacific Star Building, Sen. Gil Puyat corner Makati Avenue, Makati City

Unappropriated Retained Earnings, as adjusted to available for dividend distribution, beginning	P407,221,370
<b>Add: Net income actually earned/realized during the period</b>	
Net income during the period closed to Retained Earnings	<u>P619,370,252</u>
Less: Non-actual/unrealized income net of tax	-
Equity in net income of associate/joint venture	-
Unrealized foreign exchange gain - net (except those attributable to Cash and Cash Equivalents)	-
Unrealized actuarial gain	-
Fair value adjustment (M2M gains)	-
Fair value adjustment of Investment Property resulting to gain	-
Adjustment due to deviation from PFRS/GAAP-gain	-
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-
<b>Sub-total</b>	<u>-</u>
<b>Add: Non-actual/Unrealized Losses</b>	
Depreciation on revaluation increment (after tax)	-
Adjustment due to deviation from PFRS/GAAP – loss	-
Loss on fair value adjustment of investment property (after tax)	-
	<u>-</u>
<b>Net Income Actual/Realized</b>	<u>619,370,252</u>
<b>Add(Less):</b>	
Dividend declarations during the period	(205,065,834)
Appropriations of Retained Earnings during the period	-
Reversals of appropriations	-
Effects of prior period adjustments	-
Treasury shares	<u>(109,674,749)</u>
	<u>(314,740,583)</u>
<b>TOTAL RETAINED EARNINGS, END AVAILABLE FOR DIVIDEND</b>	<u>P711,851,039</u>