

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended
Mar 31, 2020
2. SEC Identification Number
52412
3. BIR Tax Identification No.
000-156-011
4. Exact name of issuer as specified in its charter
BELLE CORPORATION
5. Province, country or other jurisdiction of incorporation or organization
METRO MANILA, PHILIPPINES
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
5/F Tower A, Two ECom Center, Palm Coast Avenue, MOA Complex, Pasay City
Postal Code
1300
8. Issuer's telephone number, including area code
(632) 8662-8888
9. Former name or former address, and former fiscal year, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock, Php 1.00 par value	9,763,126,297

11. Are any or all of registrant's securities listed on a Stock Exchange?
Yes No
If yes, state the name of such stock exchange and the classes of securities listed therein:
Philippine Stock Exchange, Inc. / Common Shares
12. Indicate by check mark whether the registrant:

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

Yes No

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

Yes No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Belle Corporation BEL

PSE Disclosure Form 17-2 - Quarterly Report
*References: SRC Rule 17 and
Sections 17.2 and 17.8 of the Revised Disclosure Rules*

For the period ended	Mar 31, 2020
Currency (indicate units, if applicable)	PHP (in thousands)

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Mar 31, 2020	Dec 31, 2019
Current Assets	10,446,435	11,719,573
Total Assets	42,400,764	44,771,868
Current Liabilities	4,917,297	5,286,220
Total Liabilities	12,554,260	12,910,479
Retained Earnings/(Deficit)	11,102,351	11,707,576

Stockholders' Equity	29,846,504	31,861,389
Stockholders' Equity - Parent	26,796,159	28,430,777
Book Value per Share	2.74	2.91

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	1,421,590	1,892,044	1,421,590	1,892,044
Gross Expense	693,410	870,762	693,410	870,762
Non-Operating Income	44,053	20,126	44,053	20,126
Non-Operating Expense	99,582	118,139	99,582	118,139
Income/(Loss) Before Tax	672,651	923,268	672,651	923,268
Income Tax Expense	95,883	88,565	95,883	88,565
Net Income/(Loss) After Tax	576,768	834,703	576,768	834,703
Net Income Attributable to Parent Equity Holder	527,834	755,147	527,834	755,147
Earnings/(Loss) Per Share (Basic)	0.22	0.31	0.22	0.31
Earnings/(Loss) Per Share (Diluted)	0.22	0.31	0.22	0.31

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.24	0.28
Earnings/(Loss) Per Share (Diluted)	0.24	0.28

Other Relevant Information

N/A

Filed on behalf by:

Name	ROSEMARIE ABUEVA
Designation	SENIOR ASST. VICE PRESIDENT

SEC No. 52412
File No.

BELLE CORPORATION
(Company's Full Name)

**5/F, Tower A, Two E-Com Center Palm Coast Avenue,
Mall of Asia Complex CBP-1A, Pasay City**
(Company's Address)

662-88-88
(Telephone Numbers)

December 31
(Fiscal Year ending)
(Month and Day)

Form 17Q for the 1st Quarter of 2020
(Form Type)

N/A
Amendment Designation

N/A
Period Ended Date

N/A
(Secondary License Type and File Number)

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q**

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

1. For the quarterly period ended **March 31, 2020**
2. Commission Identification Number: **52412** 3. BIR Tax Identification No. **000-156-011**
4. Exact name of registrant as specified in its charter: **BELLE CORPORATION**
5. **Metro Manila, Philippines** 6. (SEC use only)
Province, Country or other jurisdiction of Industry Classification Code:
incorporation or organization
7. **5/F, Tower A, Two E-Com Center, Palm Coast Avenue,**
Mall of Asia Complex CBP-1A, Pasay City **1300**
Address of registrant's principal office Postal Code
8. **(632) 662-8888**
Registrant's telephone number, including area code
9. **Not applicable**
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Stock Outstanding
Common Stock, ₱1.00 par value	9,763,126,297
	Amount of Debt Outstanding
	₱5.9 billion

11. Are any or all of these securities listed on a Stock Exchange?
Yes [] No []
- If yes, state name of such Stock Exchange and the class/es of securities listed therein:
Philippine Stock Exchange (PSE) **Common Stock**

12. Indicate by check mark whether the registrant:
- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Section 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)
- Yes [] No []
- (b) has been subject to such filing requirements for the past 90 days.
Yes [] No []

PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements

The following financial statements are submitted as part of this report:

- a.) Unaudited Consolidated Statements of Comprehensive Income for the three months ended March 31, 2020 and March 31, 2019;
- b.) Consolidated Statements of Financial Position as of March 31, 2019 (unaudited) and December 31, 2019 (audited);
- c.) Unaudited Consolidated Statements of Changes in Equity for the three months ended March 31, 2020 and March 31, 2019; and
- d.) Unaudited Consolidated Statements of Cash Flows for the three months ended March 31, 2020 and March 31, 2019.

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

March 31, 2020 versus March 31, 2019 Results of Operations (in thousands)

	March 31		Horizontal Analysis		Vertical Analysis	
	2020	2019	Increase (Decrease)	2020	2019	
REVENUE						
Gaming revenue share	P 445,037	P 724,716	(279,679)	-38.6%	31.3%	38.3%
Lease income - Building	619,077	619,077	-	0.0%	43.5%	0.0%
Equipment rental and instant scratch ticket sales	134,004	199,607	(65,603)	-32.9%	9.4%	0.0%
Sale of real estate	50,497	127,921	(77,424)	-60.5%	3.6%	0.0%
Distribution and commission income	46,104	94,196	(48,092)	-51.1%	3.2%	0.0%
Lease income	48,666	49,001	(335)	-0.7%	3.4%	10.5%
Revenue from property management	43,381	52,025	(8,644)	-16.6%	3.1%	0.0%
Others	34,824	25,501	9,323	36.6%	2.4%	0.0%
TOTAL REVENUES	1,421,590	1,892,044	(470,454)	-24.9%	100.0%	100.0%
COST OF GAMING OPERATIONS	(33,226)	(33,153)	(73)	-0.2%	-2.3%	-1.8%
COST OF LEASE INCOME	(223,683)	(225,754)	2,071	0.9%	-15.7%	-11.9%
COST OF LOTTERY SERVICES	(174,895)	(257,755)	82,860	32.1%	-12.3%	-13.6%
COST OF REAL ESTATE SOLD	(26,202)	(64,050)	37,848	59.1%	-1.8%	-3.4%
COST OF PROPERTY MANAGEMENT SERVICES	(28,692)	(33,693)	5,001	14.8%	-2.0%	-1.8%
GENERAL AND ADMINISTRATIVE EXPENSES	(206,712)	(256,357)	49,645	19.4%	-14.5%	-13.5%
TOTAL COSTS AND EXPENSES	(693,410)	(870,762)	177,352	20.4%	-48.8%	-46.0%
INCOME FROM OPERATIONS	728,180	1,021,282	(647,806)	-63.4%	51.2%	54.0%
UNREALIZED GAIN ON FINANCIAL ASSET						
AT FAIR VALUE THROUGH PROFIT OR LOSS	(14,225)	2,476	(16,701)	674.5%	-1.0%	0.1%
INTEREST EXPENSE AND OTHER FINANCE CHARGES	(85,357)	(118,128)	32,771	27.7%	-6.0%	-6.2%
INTEREST INCOME	19,190	13,351	5,839	43.7%	1.3%	0.7%
DIVIDEND INCOME	10,355	-	10,355	n/a	0.7%	0.0%
NET FOREIGN EXCHANGE LOSS	8	(11)	19	-172.7%	0.0%	0.0%
OTHER INCOME (CHARGES)	14,500	4,299	10,201	-237.3%	1.0%	0.2%
INCOME BEFORE INCOME TAX	672,651	923,268	(250,617)	-27.1%	47.3%	48.8%
PROVISION FOR INCOME TAXES						
Current	92,874	51,174	41,700	81.5%	6.5%	2.7%
Deferred	3,009	37,391	(34,382)	-92.0%	0.2%	2.0%
	95,883	88,565	7,318	8.3%	6.7%	4.7%
NET INCOME	P 576,768	P 834,703	(257,935)	-30.9%	40.6%	44.1%

Belle Corporation ("Belle" or the "Company") realized consolidated revenues of ₱1,421.6 million for the first quarter of 2020, down 25% compared to revenues of ₱1,892.0 million for the first quarter of 2019. As a result, Belle's consolidated net income of ₱576.8 million for the first quarter of 2020 was 31% lower than consolidated net income of ₱834.7 million for the first quarter of 2019.

The decreases in revenues and profits resulted primarily from Covid-19 related developments. The effects of the pandemic began with declining tourist arrivals prior to the implementation of the enhanced community quarantines nationwide, and was compounded by the temporary suspension of gaming operations at City of Dreams Manila on March 16, 2020 in compliance with government initiatives to contain the virus. Belle's primary growth driver, its share in the gaming revenues at City of Dreams Manila, consequently reached ₱445.0 million in the first quarter of 2020, 39% lower compared to ₱724.7 million in the first quarter of 2019. City of Dreams Manila is using this time to prioritize the health of its employees, to establish protocols that ensure a safe working and recreational environment and to support the government in keeping people safe and restarting the economy.

Belle's real estate operations recorded an 8% decrease in revenues, to ₱754.0 million in the first quarter of 2020 from ₱821.5 million in the first quarter of 2019. Of real estate revenues in 2020, ₱667.7 million came from Belle's lease of the land and buildings comprising City of Dreams Manila to Melco Resorts and Entertainment (Philippines) Corporation ("MRP"), which was essentially unchanged from 2019. Belle's real estate sales and property management activities at its Tagaytay Highlands complex which were affected by the Taal Volcano eruption in January 2020 contributed ₱86.3 million during 2020, 44% lower than in 2019.

Despite this challenging business environment, and in keeping with its efforts to consistently declare regular annual dividends, Belle fulfilled the payment of its regular cash dividend to its common shareholders on March 28, 2020 in the amount of twelve centavos (₱0.12) per share, or approximately ₱1,171.6 million in total. This was at par with its previous regular cash dividend paid in 2019.

Revenues

Total consolidated revenues of ₱1,421.6 million for the three months ended March 31, 2020 were lower by ₱470 million (25%), compared to ₱1,892.0 million for the three months ended March 31, 2019. Revenue from the share of PLC in gaming earnings of City of Dreams Manila decreased by ₱279.6 million (39%), from ₱724.7 million for the 2019 period to ₱445.0 million for the current period. Revenues of Pacific Online decreased by ₱113.7 million (39%), from ₱293.8 million in the 2019 period to ₱180.1 million in the current period, and revenues from real estate development and management activities decreased by ₱76.7 million (37%), from ₱205.4 million in the 2019 period to ₱128.7 million in the current period.

Costs of Lottery Services

Costs of lottery services at Pacific Online decreased by ₱82.9 million (32%), to ₱174.9 million in the current period from ₱257.8 million in the 2019 period, mainly due to lower consultancy and professional fees.

Costs of Real Estate sold

Costs of real estate sold decreased by ₱37.8 million (59%) to ₱26.2 million in the current period, from ₱64.1 million in the 2019 period, due to the lower revenue therefrom recognized during the period.

Costs of Property Management Services

Costs of property management services decreased by ₱5.0 million (15%), to ₱28.7 million for the current period, from ₱33.7 million for the 2019 period, due to lower utilities consumed.

General and Administrative Expenses

General and administrative expenses decreased by ₱49.6 million (19%), to ₱206.7 million for the current period from ₱256.4 million for the 2019 period, due to lower general expenses at PLC.

Financial Income (Expense)

Interest expense and other finance charges decreased by ₱32.8 million (28%) to ₱85.4 million for the current period, from ₱118.1 million for the 2019 period. The lower interest expense was due to the a ₱1,202.9 million (17%) reduction in the Company's total interest-bearing debt during the first quarter of 2020, as compared to the first quarter of 2019. As of March 31, 2020, the Company's total debt stood at ₱5,912.5 million, compared to ₱7,115.4 million as of March 31, 2019. Interest income increased by ₱5.8 million (44%), to ₱19.2 million in the current period from ₱13.4 million in the 2019 period, due to higher average yields on investments.

Provision for Income Taxes

The Company's consolidated provision for income taxes increased by ₱7.3 million (8%) during the first quarter of 2020, to ₱95.9 million from ₱88.6 million in the first quarter of 2019, due to higher taxable income at the Parent Company during the current period.

Net Income

As a result of the foregoing, the Company realized consolidated net income of ₱576.8 million for the three months ended March 31, 2020, which was lower by ₱257.9 million (31%) compared to the three months ended March 31, 2019, due mainly to the effects of Covid-19 pandemic and the Taal Volcano eruption in January 2020. Belle's consistent profitability allowed the Company to pay a regular cash dividend to its shareholders on March 28, 2020 in the amount of ₱1,171.6 million (₱0.12 per outstanding share). Belle's dividend per outstanding share paid during the current period matched those paid in 2018 and 2019.

March 31, 2020 (Unaudited) vs December 31, 2019 (Audited) Statement of Financial Position (in thousands)

	Unaudited		Audited		Horizontal Analysis		Vertical Analysis	
	March 31, 2020	December 31, 2019	Inc (Dec)	%	2020	2019		
ASSETS								
Current Assets								
Cash and cash equivalents	P 2,746,038	P 4,104,674	(1,358,636)	-33.1%	6.5%	9.2%		
Financial assets at fair value through profit or loss	76,231	140,457	(64,226)	-45.7%	0.2%	0.3%		
Receivables	2,233,183	2,463,605	(230,422)	-9.4%	5.3%	5.5%		
Contract assets	460,745	40,511	420,234	1037.3%	1.1%	0.1%		
Real estate for sale	349,010	327,124	21,886	6.7%	0.8%	0.7%		
Land held for future development	3,010,660	3,005,429	5,231	0.2%	7.1%	6.7%		
Other current assets	1,570,568	1,637,773	(67,205)	-4.1%	3.7%	3.7%		
	10,446,435	11,719,573	(1,273,138)	-10.9%	24.6%	26.2%		
Noncurrent Assets								
Contract assets - net of noncurrent portion	553,741	494,130	59,611	100.0%	1.3%	1.1%		
Financial assets at fair value through other comprehensive income	4,532,042	5,512,817	(980,775)	-17.8%	10.7%	12.3%		
Intangible asset	4,436,247	4,465,206	(28,959)	-0.6%	10.5%	10.0%		
Investment properties	19,341,806	19,491,825	(150,019)	-0.8%	45.6%	43.5%		
Goodwill	1,343,809	1,343,809	-	0.0%	3.2%	3.0%		
Property and equipment	173,156	164,825	8,331	5.1%	0.4%	0.4%		
Investments in and advances to associates - net	78,008	77,950	58	0.1%	0.2%	0.2%		
Pension asset	-	10,312	(10,312)	-100.0%	0.0%	0.0%		
Deferred tax asset	35,698	52,825	(17,127)	-32.4%	0.1%	0.1%		
Right of Use	863,706	914,088	(50,382)	N/A	2.0%	2.0%		
Other noncurrent assets	596,116	524,508	71,608	13.7%	1.4%	1.2%		
	31,954,329	33,052,295	(1,097,966)	-3.3%	75.4%	73.8%		
TOTAL ASSET	P 42,400,764	P 44,771,868	(2,371,104)	-5.3%	100.0%	100.0%		
LIABILITIES AND EQUITY								
Current Liabilities								
Trade and other current liabilities	P 2,487,717	P 2,301,824	185,893	8.1%	5.9%	5.1%		
Loans payable	2,112,512	1,950,017	162,495	8.3%	5.0%	4.4%		
Income tax payable	943	4,275	(3,332)	-77.9%	0.0%	0.0%		
Current portion of:								
Long-term debt	261,111	944,444	(683,333)	-72.4%	0.6%	2.1%		
Lease Liability - current	55,014	85,660	(30,646)	-35.8%	0.1%	0.2%		
	4,917,297	5,286,220	(368,923)	-7.0%	11.6%	11.8%		
Noncurrent portion of:								
Long-term debt	3,538,889	3,566,667	(27,778)	-0.8%	8.3%	8.0%		
Lease Liability - noncurrent	910,613	918,275	(7,662)	-0.8%	2.1%	2.1%		
Pension liability	48,002	54,532	(6,530)	-12.0%	0.1%	0.1%		
Deferred tax liabilities	2,751,248	2,741,361	9,887	0.4%	6.5%	6.1%		
Other noncurrent liability	388,211	343,424	44,787	13.0%	0.9%	0.8%		
	7,636,963	7,624,259	12,704	0.2%	18.0%	17.0%		
TOTAL LIABILITIES	12,554,260	12,910,479	(356,219)	-2.8%	29.6%	28.8%		
Equity								
Attributable to equity holders of parent:								
Common stock	10,561,000	10,561,000	-	0.0%	24.9%	23.6%		
Additional paid-in capital	5,503,731	5,503,731	-	0.0%	13.0%	12.3%		
Treasury stock	(2,476,700)	(2,476,700)	-	0.0%	-5.8%	-5.5%		
Equity share in cost of Parent Company shares held by as	(2,501)	(2,501)	-	0.0%	0.0%	0.0%		
Cost of Parent Company common and preferred shares †	(1,493,752)	(1,493,752)	-	0.0%	-3.5%	-3.3%		
Unrealized gain on financial assets at fair value through other comprehensive income	433,126	1,386,615	(953,489)	-68.8%	1.0%	3.1%		
Other reserves	2,916,864	2,992,768	(75,904)	-2.5%	6.9%	6.7%		
Excess of net asset value of an investment over cost	252,040	252,040	-	0.0%	0.6%	0.6%		
Retained Earnings	11,102,351	11,707,576	(605,225)	-5.2%	26.2%	26.1%		
Total equity attributable to equity holders of the Parent	26,796,159	28,430,777	(1,634,618)	-5.7%	63.2%	63.5%		
Non-controlling interests	3,050,345	3,430,612	(380,267)	-11.1%	7.2%	7.7%		
Total Equity	29,846,504	31,861,389	(2,014,885)	-6.3%	70.4%	71.2%		
TOTAL LIABILITIES AND EQUITY	P 42,400,764	P 44,771,868	(2,371,104)	-5.3%	100.0%	100.0%		

ASSETS

Total assets of the Company decreased by ₱2,371.1 million (5%) to ₱42,400.8 million as of March 31, 2020, from ₱44,771.9 million as of December 31, 2019.

Cash and Cash equivalents

Cash and cash equivalents decreased by ₱1,358.6 million (33%), to ₱2,746.0 million as of March 31, 2020 from ₱4,104.7 million as of December 31, 2019, due mainly to the regular cash dividend payment of ₱1,171.6 million on March 28, 2020.

Financials Assets at Fair Value through Profit or Loss (“FVTPL”)

The Company's FVTPL decreased by ₱64.2 million (46%), to ₱76.2 million as of March 31, 2020, from ₱140.5 million as of December 31, 2019 due to the decline in market value of listed shares held by Pacific Online. As of March 31, 2020, the Company's consolidated FVTPL consists of investments of Pacific Online in listed shares of Leisure and Resorts World Corporation, Vantage Equities, Inc., and Philippine Long Distance Telephone Company.

Receivables and Contract Assets

Receivables and Contract Assets increased by ₱249.4 million (8%), to ₱3,247.7 million as of March 31, 2020 from ₱2,998.2 million as of December 31, 2019. The increase was mainly due to increases in trade receivables from gaming revenue share, lease income and real estate sales. Payment extensions were given to real estate buyers and tenants during the government-mandated enhanced community quarantine resulting from the Covid-19 pandemic.

Real Estate for Sale

Real estate for sale increased by ₱21.9 million (7%), to ₱349.0 million as of March 31, 2020 from ₱327.1 million as of December 31, 2019, due mainly to sale cancellations.

Financials Assets at Fair Value through Other Comprehensive Income (“FVOCI”)

The Company's FVOCI decreased by ₱980.8 million (18%), to ₱4,532.0 million as of March 31, 2020 from ₱5,512.8 million as of December 31, 2019, due to decreases in market prices of these investments. As at March 31, 2020, the Company's FVOCI consists of investments in SM Prime, SM Investments, club shares of Tagaytay Highlands International Golf Club, Inc., Tagaytay Midlands International Golf Club, Inc., The Country Club at Tagaytay Highlands, Inc. and The Spa and Lodge at Tagaytay Highlands, Inc.

Intangible Asset

This pertains to the cost of the PAGCOR License to operate integrated resorts that was granted by PAGCOR to PLAI. Belle and MRP are Co-Licensees under PLAI's PAGCOR License. As part of PLAI's practice of regular and continuous review of existing contracts, PLAI implemented an initiative to change its amortization policy to align the life of the license with the PAGCOR charter, which is renewable for another 25 years upon its expiration in July 2033. Amortization of the intangible asset on the License started on December 14, 2014, which is the effectivity date of the Notice to Commence Casino Operations granted by PAGCOR. Amortization expense for the three months ended March 31, 2019 amounted to ₱29.0 million.

Investment Properties

This account consists mainly of carrying value of the City of Dreams Manila land and building in PAGCOR Entertainment City in Paranaque. The ₱150.0 million decrease during the first three months of 2020 is due to depreciation expense on the City of Dreams Manila building.

Right-of-Use Assets

The right-of-use asset, or ROU asset, is an asset that represents a lessee's right to to operate, hold, or occupy a leased property, item, or piece of equipment for the lease term. The ₱50.4 million decrease during the first three months of 2020 is due to the amortization of right-of-use assets.

Goodwill

The Company's goodwill amounted to ₱1,343.8 million as of March 31, 2020 as a result of consolidating Pacific Online.

Other Assets

Other assets increased by ₱4.4 million (0.2%), to ₱2,166.7 million as of March 31, 2020 from ₱2,162.3 million as of December 31, 2019, mainly due to prepaid expenses.

LIABILITIES

Total liabilities decreased by ₱356.2 million (3%), to ₱12,554.3 million as of March 31, 2020, from ₱12,910.5 million as of December 31, 2019, due mainly to repayments of long-term debt.

Trade and Other Current Liabilities

Trade and other current liabilities increased by ₱185.9 million (8%) to ₱2,487.7 million as of March 31, 2020 from ₱2,301.8 million as of December 31, 2019, due higher payable to suppliers.

Loans Payable and Long-Term Debt

Total consolidated debt, amounting to ₱5,912.5 million as of March 31, 2020 consists of Peso-denominated borrowings of Belle from various local financial institutions, with an average interest rate of approximately 5.26% per annum during the first quarter of 2020. The outstanding amount of total debt decreased by ₱548.6 million (8%), to ₱5,912.5 million as of March 31, 2020 from ₱6,461.1 million as of December 31, 2019, due to debt principal repayments.

Other Noncurrent Liability

Other Noncurrent Liability increased by ₱44.8 million as of March 31, 2020 to ₱388.2 million as of March 31, 2020 due to additional rental security deposits.

EQUITY

The Company's shareholders' equity as of March 31, 2020 of ₱29,846.5 million was lower by ₱2,014.9 million (6%), compared to its shareholders' equity of ₱31,861.4 million as of December 31, 2019, due to the Company's ₱1,171.6 million regular cash dividend paid to its shareholders on March 28, 2019 and the decrease in market value of FVOCI of ₱953.5 million, offset by its consolidated net income for the three months ended March 31 2020 amounting to ₱576.8 million.

Below are the comparative key performance indicators of the Company and its subsidiaries:

	Manner by which the Company calculates the key performance indicators	31 March 2020 (unaudited)	31 March 2019 (unaudited)	31 December 2019 (audited)
Asset to equity ratio	Total assets over equity	1.42 : 1.00	1.45 : 1.00	1.41: 1.00
Current or Liquidity ratio	Current assets over current liabilities	2.12 : 1.00	1.41 : 1.00	2.22: 1.00
Debt-to-equity ratio	Interest-bearing debt over equity	0.20 : 1.00	0.24 : 1.00	0.20: 1.00
Net debt-to-equity ratio	Interest-bearing debt less cash and cash equivalents	0.11 : 1.00	0.18 : 1.00	0.07: 1.00
Interest rate coverage ratio	EBIT over interest expense	8.12 :1.00	7.57 :1.00	7.56:1.00
Return on assets	Annualized net income over average total assets during the period	5.3%	6.6%	6.5%
Return on equity	Annualized net income over average equity during the period	7.5%	9.5%	9.2%

The above performance indicators are calculated as follows:

Current Ratio

$\frac{\text{Current Assets}}{\text{Current Liabilities}}$

Debt to Equity Ratio

$\frac{\text{Interest-bearing debt}}{\text{Total Equity}}$

Asset-to-equity Ratio

$\frac{\text{Total Assets}}{\text{Total Equity}}$

Return on Equity

$\frac{\text{Net Income}}{\text{Average equity during the period}}$

Return on Assets

$\frac{\text{Net Income}}{\text{Average assets during the period}}$

Interest Coverage Ratio

$\frac{\text{Income Before Interest \& Tax}}{\text{Interest Expense}}$

Net debt-to-equity ratio

$\frac{\text{Interest-bearing debt less cash and cash equivalents}}{\text{Total Equity}}$

The Company does not foresee any cash flow or liquidity problems over the next twelve months. As of March 31, 2020, consolidated total debt of the Company of ₱5,912.5 million was comprised of borrowings from renewable short-term bank lines of ₱2,000.0 million and amortizing term loans from banks of ₱3,912.5 million. Belle has real estate projects, lease agreements and investments from which it expects to generate cash flow sufficient for its foreseeable requirements. Meanwhile, the Company continues to be in compliance with the terms of all of its debt obligations.

As of March 31, 2020, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Any Known Trends, Events or Uncertainties (Material Impact on Liquidity) Material commitments for capital expenditures that are reasonably expected to have a material impact on the Company's short-term or long-term liquidity;
- Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
- All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures:
- Any Known Trends, Events or Uncertainties (Material Impact on Sales)
- Any Significant Elements of Income or Loss (from continuing operations)

PART II - OTHER INFORMATION

Financial Risk Management Objectives and Policies

The Company's principal financial assets and financial liabilities are composed of cash and cash equivalents, receivables, investments held for trading, AFS financial assets, trade and other current liabilities, loans payables, long-term debt, nontrade liability, installment payable, obligations under finance lease and assignment of receivables with recourse. The main purpose of these financial assets and financial liabilities is to raise finances for the Company's operations. The Company has various other financial assets and financial liabilities such as receivables, advances to associates and other related parties and trade and other liabilities, which arise directly from its real estate operations.

The main risks arising from the Company's financial assets and financial liabilities are interest rate risk, foreign currency risk, equity price risk, credit risk and liquidity risk. The Company's BOD and management review and agree on the policies for managing each of these risks and these are summarized below.

Interest Rate Risk. Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial assets and financial liabilities. The Company's exposure to interest rate risk relates primarily to the Company's long-term debt which is subject to cash flow interest rate risk. Re-pricing of FRNs is done every nine months while re-pricing of long-term debt is normally done every three months.

The Company's policy is to manage its interest cost by limiting its borrowings.

Foreign Currency Risk. Foreign currency risk is the risk that the fair value or future cash flows of financial asset or financial liability will fluctuate due to changes in foreign exchange rates.

It is the Company's policy to ensure that capabilities exist for active but conservative management of its foreign currency risk. The Company seeks to mitigate its transactional currency exposure by maintaining its costs at consistently low levels, regardless of any upward or downward movement in the foreign currency exchange rate.

Equity Price Risk. Equity price risk is the risk that the fair value of quoted investments held for trading decreases as a result of changes in the value of individual stock. The Company's exposure to equity price risk relates primarily to the Company's investments held for trading. The Company monitors the equity investments based on market expectations. Significant movements within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the BOD.

Credit Risk. Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. The Company does not offer credit terms without the specific approval of the management. There is no significant concentration of credit risk.

In the Company's real estate business, title to the property is transferred only upon full payment of the purchase price. There are also provisions in the sales contract which allow forfeiture of installments/deposits made by the customer in favor of the Company and retain ownership of the property. The Company has the right to sell, assign or transfer to third party and any interest under sales contract, including its related receivables from the customers. The Company's primary target customers are high-income individuals and top corporations, in the Philippines and overseas. These measures minimize the credit risk exposure or any margin loss from possible default in the payments of installments.

Trade receivables from sale of real estate units are secured with pre-completed property units. The legal title and ownership of these units will only be transferred to the customers upon full payment of the contract price. Receivables from sale of club shares are secured by the shares held by the Company. For other

receivables, since the Company trades only with recognized third parties, there is no requirement for collateral.

With respect to credit risk arising from the financial assets of the Company, which comprise of cash and cash equivalents, short-term investments, receivables, finance lease receivables, advances to associates and other related parties and AFS financial assets, deposits and guarantee bonds, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying value of these financial assets.

Liquidity Risk. Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company seeks to manage its liquidity profile to be able to finance its capital expenditures and service its maturing debts. The Company's objective is to maintain a balance between continuity of funding and flexibility through valuation of projected and actual cash flow information. The Company considers obtaining borrowings as the need arises.

Fair Value of Financial Assets and Financial Liabilities

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

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have significant effect on the recorded fair value are observable, either directly or indirectly; and,
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Set out below is a comparison by category and by class of carrying values and fair values of all the Company's financial assets and liabilities:

	March 31, 2020		December 31, 2019	
	(Unaudited)		(Audited)	
<i>Financial assets measured at fair value</i>				
Through profit or loss	76,231	76,231	140,457	140,457
Through other comprehensive income	4,532,042	4,532,042	5,512,817	5,512,817
<i>Financial assets for which fair value is disclosed</i>	19,341,806	48,444,804	17,537,249	43,609,782
<i>Financial liabilities for which fair value is disclosed</i>				
Refundable deposit	16,805,818	13,856,777	16,778,195	15,188,477
Long term debt	3,800,000	3,910,388	4,511,111	4,705,396
Lease liability	1,161,189	1,161,189	1,226,294	1,226,294

Fair value is defined as the amount at which the financial assets and financial liabilities could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced liquidation or sale. Fair values are obtained from quoted market prices, discounted cash flow models and other valuation models, as appropriate.

The following methods and assumptions are used to estimate the fair value of each class of financial assets and financial liabilities:

Cash and Cash Equivalents, Short-term Investments, Advances to Associates, Receivables, Loans Payable and Trade and Other Current Liabilities. The carrying values of these financial assets approximate their fair values due to the relatively short-term maturities of these financial assets and financial liabilities.

Trade Receivables and Finance Lease Receivable. The fair value of these instruments is determined by discounting the estimated cash flows using prevailing interest rates as at reporting dates.

Investments Held for Trading and AFS Financial Assets. The fair values of investments held for trading and AFS financial assets in quoted equity shares are based on quoted prices in the PSE or those shares whose prices are readily available from brokers or other regulatory agency as at reporting date. There are no quoted market prices for the unlisted shares and there are no other reliable sources of their fair values, therefore, these are carried at cost, net of any impairment loss.

Nontrade Liability. The fair value of nontrade liability is determined by discounting estimated cash flows using prevailing interest rates as at reporting dates.

Long-term Debt. The fair value of long-term debt is determined by discounting the obligations' expected future cash flows using prevailing interest rates as at reporting dates.

Obligations under Finance Lease. The fair value of installment payable and obligations under finance lease with fixed interest rate is based on the discounted net present value of cash flows using the prevailing MART 2 rates as at reporting dates.

Determination of Fair Value and Fair Value Hierarchy

The Company has Investments held for trading and AFS investments in quoted equity securities recorded at Level 1 fair value. These are the only financial assets and financial liabilities carried at fair value.

Other Required Disclosures

- A.) The attached interim financial reports were prepared in compliance with Philippine Financial Reporting Standards (PFRS). The accounting policies and methods of computation followed in these interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2019.

The adoption of the following PFRS standards enumerated below does not have significant impact on its consolidated financials statements which are effective January 1, 2020.

- i. Amendments to PFRS 3, Definition of a Business
- ii. Amendments to PAS 1, Presentation of Financial Statements, and PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material

The Company continues to assess the impact of the above new, amended and improved accountings standards effective subsequent to December 31, 2019 on its consolidated financial statements in the period of initial application. Additional disclosures required by these amendments will be included in the Company's consolidated financial statements when these amendments are adopted.

- B.) Impact of Covid-19 to Belle's business and operations.

On March 16, 2020, the Philippine Government declared the entire Luzon area under enhanced community quarantine ("ECQ), which was slightly eased to a modified enhanced community quarantine ("MECQ) for Metro Manila on May 16, 2020. ECQ and MECQ restrictions have temporarily disrupted the business operations of the Company.

- C.) There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.
- D.) Except as disclosed in the MD&A, there were no other issuances, repurchases and repayments of debt and equity securities.
- E.) There were no material events subsequent to March 31, 2020 up to the date of this report that needs disclosure herein.
- F.) There were no changes in contingent liabilities or contingent assets since March 31, 2020.
- G.) There exist no material contingencies affecting the current interim period.

SIGNATURES

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

Issuer: **BELLE CORPORATION**



WILLY N. OCIER
Vice Chairman
Date: May 28, 2020



MANUEL A. GANA
President and Chief Executive Officer
Date: May 28, 2020



JACKSON T. ONGSIP
Executive Vice President and
Chief Financial Officer
Date: May 28, 2020

BELLE CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Amounts in Thousands)

	Unaudited		Audited	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
ASSETS				
Current Assets				
Cash and cash equivalents	P	2,746,038	P	4,104,674
Financial assets at fair value through profit or loss		76,231		140,457
Receivables		2,233,183		2,463,605
Contract assets		460,745		40,511
Real estate for sale		349,010		327,124
Land held for future development		3,010,660		3,005,429
Other current assets		1,570,568		1,637,773
		10,446,435		11,719,573
Noncurrent Assets				
Contract assets - net of noncurrent portion		553,741		494,130
Financial assets at fair value through other comprehensive income		4,532,042		5,512,817
Intangible asset		4,436,247		4,465,206
Investment properties		19,341,806		19,491,825
Goodwill		1,343,809		1,343,809
Property and equipment		173,156		164,825
Investments in and advances to associates - net		78,008		77,950
Pension asset		-		10,312
Deferred tax asset		35,698		52,825
Right of Use		863,706		914,088
Other noncurrent assets		596,116		524,508
		31,954,329		33,052,295
TOTAL ASSET	P	42,400,764	P	44,771,868
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other current liabilities	P	2,487,717	P	2,301,824
Loans payable		2,112,512		1,950,017
Income tax payable		943		4,275
Current portion of:				
Long-term debt		261,111		944,444
Lease Liability - current		55,014		85,660
		4,917,297		5,286,220
Noncurrent portion of:				
Long-term debt		3,538,889		3,566,667
Lease Liability - noncurrent		910,613		918,275
Pension liability		48,002		54,532
Deferred tax liabilities		2,751,248		2,741,361
Other noncurrent liability		388,211		343,424
		7,636,963		7,624,259
TOTAL LIABILITIES		12,554,260		12,910,479
Equity				
Attributable to equity holders of parent:				
Common stock		10,561,000		10,561,000
Additional paid-in capital		5,503,731		5,503,731
Treasury stock		(2,476,700)		(2,476,700)
Equity share in cost of Parent Company shares held by as		(2,501)		(2,501)
Cost of Parent Company common and preferred shares		(1,493,752)		(1,493,752)
Unrealized gain on financial assets at fair value through other comprehensive income		433,126		1,386,615
Other reserves		2,916,864		2,992,768
Excess of net asset value of an investment over cost		252,040		252,040
Retained Earnings		11,102,351		11,707,576
Total equity attributable to equity holders of the Parent		26,796,159		28,430,777
Non-controlling interests		3,050,345		3,430,612
Total Equity		29,846,504		31,861,389
TOTAL LIABILITIES AND EQUITY	P	42,400,764	P	44,771,868

BELLE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME
(Amounts in Thousands, Except Per Share Amounts)

	March 31	
	2020	2019
REVENUE		
Gaming revenue share	P 445,037	P 724,716
Lease income - Building	619,077	619,077
Equipment rental and instant scratch ticket sales (POSC)	134,004	199,607
Sale of real estate	50,497	127,921
Distribution and commission income (POSC)	46,104	94,196
Lease income	48,666	49,001
Revenue from property management	43,381	52,025
Others	34,824	25,501
TOTAL REVENUES	1,421,590	1,892,044
COST OF GAMING OPERATIONS	(33,226)	(33,153)
COST OF LEASE INCOME	(223,683)	(225,754)
COST OF LOTTERY SERVICES	(174,895)	(257,755)
COST OF REAL ESTATE SOLD	(26,202)	(64,050)
COST OF PROPERTY MANAGEMENT SERVICES	(28,692)	(33,693)
GENERAL AND ADMINISTRATIVE EXPENSES	(206,712)	(256,357)
TOTAL COSTS AND EXPENSES	(693,410)	(870,762)
INCOME FROM OPERATIONS	728,180	1,021,282
UNREALIZED GAIN ON FINANCIAL ASSET		
AT FAIR VALUE THROUGH PROFIT OR LOSS	(14,225)	2,476
INTEREST EXPENSE AND OTHER FINANCE CHARGES	(85,357)	(118,128)
INTEREST INCOME	19,190	13,351
DIVIDEND INCOME	10,355	-
NET FOREIGN EXCHANGE LOSS	8	(11)
OTHER INCOME (CHARGES)	14,500	4,299
INCOME BEFORE INCOME TAX	672,651	923,268
PROVISION FOR INCOME TAXES		
Current	92,874	51,174
Deferred	3,009	37,391
	95,883	88,565
NET INCOME	P 576,768	P 834,703
OTHER COMPREHENSIVE INCOME		
<i>Items not to be reclassified to profit or loss in subsequent periods</i>		
Unrealized gain on financial asset at fair value through OCI	(771,310)	265,397
Other reserves	(11,036)	-
	(782,346)	265,397
TOTAL COMPREHENSIVE INCOME	P (205,578)	P 1,100,100
Net profit attributable to:		
Equity holders of the parent	P 527,834	P 755,147
Non-Controlling Interests	48,934	79,556
	P 576,768	P 834,703
Total comprehensive income attributable to:		
Equity holders of the parent	P (402,540)	P 1,020,502
Non-Controlling Interests	196,962	79,598
	P (205,578)	P 1,100,100
Basic Earnings Per Share	P 0.22	P 0.31

BELLE CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	For First Quarter Ended March 31	
	2020	2019
Paid up capital		
Common Stock	<i>(Amounts in Thousands)</i>	
Balance at beginning and end of period	₱ 10,561,000	₱ 10,561,000
Additional Paid In Capital		
Balance at beginning and end of period	5,503,731	5,503,731
Treasury shares		
Balance at beginning and end of period	(2,476,700)	(2,476,700)
	13,588,031	13,588,031
Retained Earnings		
Unappropriated		
Balance at beginning of year	11,707,576	10,221,830
Net income	527,834	755,147
Dividends declared	(1,133,061)	(1,133,061)
Balance at end of period	11,102,349	9,843,916
Equity share in Cost of Parent Company Shares Held by Associates		
Balance at beginning and end of period	(2,501)	(2,501)
Cost of Parent Company Common Shares Held by Subsidiaries		
Balance at beginning and end of period	(1,493,752)	(1,493,752)
Excess of Acquisition Cost over Net Assets of Acquired Subsidiaries		
Balance at beginning and end of period	252,040	252,040
Other Reserves		
<i>Unrealized Gain on Financial Assets at Fair Value Through OCI - net</i>		
Balance at beginning of year	1,334,901	1,047,057
Adjustments	(901,775)	-
Balance at end of period	433,126	945,818
<i>Share in Unrealized Gain on Financial Assets at Fair Value Through OCI of Associates</i>		
Balance at beginning and end of period	14,061	14,061
<i>Remeasurement of Pension Income (Expense)</i>		
Balance at beginning and end of period	(13,707)	1,529
<i>Transactions with Non-controlling Interests</i>		
Balance at beginning and end of period	3,044,128	3,044,128
Non-controlling Interests		
Balance at beginning of year	3,430,612	3,374,425
Net income	48,934	79,556
Acquisition of non-controlling interests	(191,000)	-
Other comprehensive income	(67,648)	42
Dividends declared	(298,169)	(305,362)
Balance at end of period	2,922,729	3,148,661
	₱ 29,846,504	₱ 29,341,931

BELLE CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

	For the First Quarter Ended March 31	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	P672,651	P923,268
Adjustments for:		
Depreciation and amortization	246,566	238,760
Interest expense	85,357	118,128u
Interest income	(19,190)	(13,351)
Amortization of discount on trade receivables	(17,400)	(18,178)
Unrealized mark-to-market gain on financial asset at FVTPL	14,225	(2,476)
Dividend income	(10,355)	-
Pension cost	8,565	(5,477)
Unrealized forex loss	(8)	11
Working capital adjustments:		
Decrease (increase) in:		
Receivables	(232,023)	(103,915)
Real estate for sale	(27,117)	53,432
Other assets	(78,098)	(158,011)
Increase in trade and other current liabilities	192,377	187,728
Net cash generated from operations	835,550	1,219,919
Interest received	19,190	13,351
Net cash provided by (used in) operating activities	854,740	1,233,270
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial asset at FVTPL	50,001	-
Acquisitions of property and equipment	(25,538)	(15,206)
Dividends received	10,355	-
Proceeds from disposal of financial asset at FVOCI	8,001	13,422
Net cash used in investing activities	42,819	(1,784)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Long-term debt and loans payable	(548,616)	(426,736)
Interest	(85,357)	(118,128)
Dividends paid	(1,431,230)	(1,468,936)
Acquisition of treasury shares of subsidiaries	(191,000)	-
Decrease (increase) in obligations under finance lease	-	4,336
Net cash used in financing activities	(2,256,203)	(2,009,464)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENT		
	8	(11)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,358,636)	(777,989)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4,104,674	2,653,717
CASH AND CASH EQUIVALENTS AT END OF YEAR	P2,746,038	P1,875,728

Belle Corporation and Subsidiaries
Aging of receivables
March 31, 2020

Project	Gross Current (a)	Gross Noncurrent (b)	Grand Total
Real Estate:			
Alta Mira	5,040,945.46	10,347,365.57	15,388,311.03
The Country Club at Tagaytay Highland	4,462,341.17	10,983,505.31	15,445,846.48
Cotswold	7,675,938.52	9,002,892.43	16,678,830.95
Lakeside Enclave	672,807.45	50,000.00	722,807.45
Fairfield	12,699,925.20	36,694,193.39	49,394,118.59
Katsura	17,456,832.43	51,897,286.84	69,354,119.27
Kew Gardens	5,731,379.50	1,265,796.73	6,997,176.23
Nob hill	39,726,293.92	98,385,282.65	138,111,576.57
The Parks	13,847,373.52	39,996,411.49	53,843,785.01
Plantation Hills	(3,772,180.75)	18,814,386.28	15,042,205.53
Sycamore	168,413,615.39	519,181,969.97	687,595,585.36
Terrazzas De Alava	10,953,020.92	4,984,487.07	15,937,507.99
Tivoli Place	12,397,670.45	9,790,414.71	22,188,085.16
Tagaytay Midlands Golf Club, Inc.	35,115,475.51	40,561,105.22	75,676,580.73
The Verandas	9,506,707.41	6,824,870.32	16,331,577.73
The Woodlands	-	-	-
Yume	(12,535,482.77)	27,071,105.09	14,535,622.32
TSL	-	-	-
Lease (straight-line accounting)	1,209,413,051.71	-	1,209,413,051.71
Equipment rental and scratch ticket sales	391,706,761	-	391,706,761.00
Gaming income share	242,011,388.00	-	242,011,388.00
Other nontrade receivable	191,293,880.36	-	191,293,880.36
Grand Total	2,361,817,744.41	885,851,073.07	3,247,668,817.48

(a) Collectible within 1 year

(b) Collectible for more than 1 year

Segment Information

The primary segment reporting format is presented based on business segments in which the Company's risks and rates of return are affected predominantly by differences in the products and services provided. Thus, the operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Company is primarily in the businesses of real estate development, property management and gaming and gaming-related activities. Others pertain to investment companies which are mostly dormant. Segment revenue, segment expenses and segment performance include transfers among business segments. The transfers, if any, are accounted for at competitive market prices charged to unaffiliated customers for similar products. Such transfers are eliminated in consolidation.

The amounts of segment profit or loss are based on measurement principles that are similar to those used in measuring principles that are similar to those used in measuring profit or loss in the unaudited interim condensed consolidated financial statements, which are in accordance with PFRS. Financial information about the Company's business segments are shown below:

	March 31, 2020 (Unaudited)				
	Real Estate Development and Property Management	Gaming & Gaming Related Activities		Eliminations/ Others Adjustments	Consolidated
	<i>(In Thousands)</i>				
Earnings Information					
Revenue	P809,945	P675,414	P-	(P63,769)	P1,421,590
Costs and expenses	(376,018)	(361,612)	(165)	44,171	(693,627)
Interest expense	(122,931)	(2,340)	-	39,914	(85,357)
Interest income	2,021	17,168	1	-	19,190
Provision for income tax	93,119	2,547	-	-	95,666
Net profit for the year	1,471,128	323,964	(164)	(1,218,160)	576,768
Net profit attributable to equity holders of the parent	1,471,128	338,396	(164)	(1,281,526)	527,834
	March 31, 2019 (Unaudited)				
	Real Estate Development and Property Management	Gaming & Gaming Related Activities		Eliminations/ Others Adjustments	Consolidated
	<i>(In Thousands)</i>				
Earnings Information					
Revenue	P887,025	P1,076,087	P-	(P71,068)	P1,892,044
Costs and expenses	(428,714)	(484,018)	(2,415)	44,385	(870,762)
Interest expense	(174,732)	(965)	-	57,569	(118,128)
Interest income	840	12,506	5	-	13,351
Provision for income tax	85,415	3,150	-	-	88,565
Net profit for the year	1,450,224	615,228	(2,410)	(1,228,339)	834,703
Net profit attributable to equity holders of the parent	1,450,224	625,059	(2,410)	(1,317,726)	755,147

The following illustrate the reconciliations of reportable segment revenues and net profit to the Company's corresponding amounts:

	March 31, 2020 (Unaudited)	March 31, 2019 (Unaudited)
	<i>(in thousands)</i>	
Revenues		
Total revenue for reportable segments	₱1,357,821	₱1,963,112
Elimination for intercompany revenue	(63,769)	(71,068)
Total consolidated revenues	₱1,421,590	₱1,892,044
Net Profit for the Year		
Total profit for reportable segments	₱1,794,928	₱2,063,042
Elimination for intercompany profits	(1,220,338)	(1,228,339)
Consolidated net profit	₱574,590	₱834,703

The Parent Company's Executive Committee, the chief operating decision maker of the Company, monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the unaudited interim condensed consolidated financial statements. However, financing (including interest expense and interest income) and income taxes are managed as a whole and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Disclosure of the geographical information regarding the Company's revenues from external customers and total assets have not been provided since all of the Company's consolidated revenues are derived from operations within the Philippines.