

SEC Number **152249**
File Number

ARANETA PROPERTIES INCORPORATED

Company's Full Name

21st Floor Citibank Tower, Paseo de Roxas, Makati City

Company's Address

(632) 848-1501

Telephone Number

December 31

Fiscal Year Ending
(Month & Day)

17-Q 2nd Quarter

Form Type

Amended Designation (If Applicable)

June 30, 2023

Period Ended Date

Registered and Listed

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 June 30, 2023
2. SEC Identification No. 152249 3. BIR Tax Identification No. 050-000-840-355
4. Exact name of issuer as specified in its charter: ARANETA PROPERTIES, INC.
5. _____
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: (SEC Use Only)
7. 21st Floor, Citibank Tower, Paseo de Roxas, Makati City
Address of issuer's principal office Postal Code
8. (632) 848-1501
Registrant's telephone number, including area code
9. _____
Former name, former address, and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Section 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
Common Shares	1,951,387,570

11. Are any or all of these securities listed on the Philippine Stock Exchange?
Yes No

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and Rule 17 of the SRC thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 there under 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 90 days:

Yes No

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The financial statements of Araneta Properties Incorporated (ARA) are filed as part of this Form 17-Q.

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

Plan of Operation

During the Second Quarter of 2023

The second quarter of 2023 business operation continuous to go slow, this performance is directly attributed to the effect of economic uncertainties brought about by the CoVid-19 Delta variant which disrupted businesses to operate in the National Capital Region under the new normal category and as will as the world-wide effect of the Ukraine crises.

The performance of the Company in terms of revenue decreased by 62.52%, Sales for the quarter is P27.451 million as compared to P42.544 million of the same period of year 2022. This performance is directly attributable to economic uncertainties mentioned above.

As of June 30, 2023 there are already seventy two (72) buyers with a total lot area of 13,919 square meters of subdivided lot with average selling price of ranging from P18,000.00 to P24,500.00 per square meter (inclusive of 12% VAT), much more higher than the P7,500.00 per square meter, the average selling price when the company implemented its strategy in year 2014 by to hold-on to market its inventory for a much higher margin.

Project Percentage of Completion (PPOC), the residential area of Phase 1, Phase 2 & Phase 3 are 100%, 100% & 100% respectively complete, while the Country Club is 98.00% complete as of June 30, 2023. The Company uses the project percentage of completion (PPOC for brevity) in determining sales during the period.

The CoVid-19 has spread all over the world even highly improved countries suffered the same fate and/or was hit hard by the pandemic. The spread of CoVid-19 virus has an abrupt and widespread impact not only in real estate business but all types of businesses from commercial, industrial, banking, financial institution, and shipping industry.

In compliance with the National Government's strategy to flatten the curve and/or to combat the spread of virus, during the period the Company implemented compliance measures to the general community quarantine (GCQ) protocols as follows:

- After the announcement of the National Government allowing certain industries to operate during GCQ, the Company re-open its Makati office with a limited and staggered reporting of employees at a maximum of 50% workforce. Employees with vulnerable condition are not permitted to report for work but allowed to work on a "work-from-home" basis.
- Employees are required for a car pooling those that are not accommodated by the company shuttle vehicle, regular disinfectant of the entire office premises.

- Other measures are being implemented to ease the impact of the GCQ on the employees, e.g. the early release of the prorated 13th month pay, extend cash advances to regular employees in the event that the GCQ is extended.
- Provide CoVid-19 vaccination for free.
- Business opportunity is paralyzed such as cash inflows. Presently, the Company concentrates on cash management to be able to rationalize and ensure availability of funds to sustain payments of employees' payroll recurring expenses.

While reeling from the effect of the GCQ and the present new normal business operation continuous to go slow during the second quarter of 2023, the activity of the Company also focused on collection of receivables. The details of financial performance of the Company in terms of revenue during the period are as follows:

Table I – The comparative figures of the results of operations for the three (3) months period ending June 30, 2023 with comparative figures of year 2022 and 2021 for the same period

<i>In millions (Php)</i>	For three (3) months Period Ended June 30			% Change	% Change
	Year 2021	Year 2022	Year 2023	2021 vs 2022	2022 vs 2023
Revenue	4.481	31.002	24.437	591.843%	(21.175%)
Less: Expenses	12.915	19.769	17,149	53.062%	(13.250%)
Net before other income	(8.434)	11.234	7.288	538.781%	(7.9263%)
Add :Other Income	1.132	1.009	1.109	(10.870%)	9.876%
Net Income	(7.302)	12.243	8.397	527.911%	1.950%

Table II – The comparative figures of the results of operations for the six (6) months period ending June 30, 2023 with comparative figures of year 2022 and 2021 for the same period

<i>In millions (Php)</i>	For six (6) months Period Ended June 30			% Change	% Change
	Year 2021	Year 2022	Year 2023	2021 vs 2022	2022 vs 2023
Revenue	18.519	42.544	27.451	129.732%	(35.4760%)
Less: Expenses	26.351	34.659	31.335	31.528%	(9.5900%)
Net before other income	(7.832)	7.885	(3.885)	98.203%	(25.886%)
Add : Other Income	2.723	2.839	2.640	4.255%	(6.978%)
Net Income	(5.110)	10.723	(1.244)	102.458%	(32.865%)

Table III – The comparative figures of revenues consist of: (1) Sales from real estate business and (2) Interest Income from installments sales for the quarters ending June 30, 2023 with comparative figures of year 2022 for the same period

<i>In Millions (Php)</i>	For the quarter ending June 30		% Change
	Year 2022	Year 2023	2022 vs 2023
Income from Real Estate Business	31.002	24.437	(21.01758%)
Accretion of Interest from Installment Sales	1.009	1.109	9.876%
Total Revenue	32.011	25.546	(31.051%)

Table IV – The comparative figures of revenues consist of: (1) Sales from real estate business and (2) Interest Income from installments sales for the six (6) months ending June 30, 2023 with comparative figures of year 2022 for the same period

In Millions (Php)	For the six (6) months ending June 30		% Change
	Year 2022	Year 2023	2022 vs 2023
Income from Real Estate Business	42.544	27.451	(35.476%)
Accretion of Interest from Installment Sales	2.839	2.640	(6.978%)
Total Revenue	45.382	30.091	(28.498%)

During the Second Quarter of 2022

The second quarter of 2022 business operation has started to grow-up inspite of the challenges brought about by the new Covid-19 Delta variant which disrupted businesses to operate in the National Capital Region under the new normal category and as will as the world-wide effect of the Ukraine crises.

The company is already implementing its marketing strategies developed in Year 2014, specifically the holding on of some Inventory for a much better price. This strategy has created a favorable momentum for the company's operation with at right timing of implementation of sales forecast. During the disrupted operation due to CoVid-19 pandemic, the Company also focused on managing and developing a new high margin inventory, increasing efficiency on land banking, and enhancing perspective for more marketing strategies. Even further, the Company also undertook fine-tuning the whole system, maintaining and improving *Colinas Verdes*, the subdivision's brand name and position to the market, sustaining and promoting strengths and advantages of the entire system, stabilizing organizational structure, conceptualizing training programs for both staff and management groups, ensuring financial resources for the operation of the whole system without compromising low cost but promoting instead effective cash management program and fund flow management.

The performance of the Company in terms of revenue increased by 401.57%, Sales for the quarter is P22.476 million as compared to P4.481 million of the same period of year 2021. This performance is directly attributed to economic recovery from the effect of the CoVid-19 pandemic.

The above strategies is already conclusive, As of June 30, 2022 there are already sixty two (62) buyers with a total lot area of 9,910 square meters of subdivided lot with average selling price of ranging from P18,000.00 to P23,000.00 per square meter (inclusive of 12% VAT), much more higher than the P7,500.00 per square meter, the average selling price when the company implemented its strategy in year 2014 by to hold-on to market its inventory for a much higher margin.

Project Percentage of Completion (PPOC), the residential area of Phase 1, Phase 2 & Phase 3 are 100%, 100% & 100% respectively complete, while the Country Club is 98.00% complete as of June 30, 2022. The Company uses the project percentage of completion (PPOC for brevity) in determining sales during the period.

The CoVid-19 has spread all over the world even highly improved countries suffered the same fate and/or was hit hard by the pandemic. The spread of CoVid-19 virus has an abrupt and widespread impact not only in real estate business but all types of businesses from commercial, industrial, banking, financial institution, and shipping industry.

In compliance with the National Government's strategy to flatten the curve and/or to combat the spread of virus, during the period the Company implemented compliance measures to the general community quarantine (GCQ) protocols as follows:

- After the announcement of the National Government allowing certain industries to operate during GCQ, the Company re-open its Makati office with a limited and staggered reporting of employees at a maximum of 50% workforce. Employees with vulnerable condition are not permitted to report for work but allowed to work on a “work-from-home” basis.
- Employees are required for a car pooling those that are not accommodated by the company shuttle vehicle, regular disinfectant of the entire office premises.
- Other measures are being implemented to ease the impact of the GCQ on the employees, e.g. the early release of the prorated 13th month pay, extend cash advances to regular employees in the event that the GCQ is extended.
- Provide CoVid-19 vaccination for free.
- Business opportunity is paralyzed such as cash inflows. Presently, the Company concentrates on cash management to be able to rationalize and ensure availability of funds to sustain payments of employees’ payroll recurring expenses.

While reeling from the effect of the GCQ and the present new normal business operation, sales are started to grow during the second quarter of 2022, the activity of the Company also focused on collection of receivables. The details of financial performance of the Company in terms of revenue during the period are as follows:

Table I – The comparative figures of the results of operations for the three (3) months period ending June 30, 2022 with comparative figures of year 2021 and 2020 for the same period

<i>In millions (Php)</i>	For three (3) months Period Ended June 30			% Change	% Change
	Year 2020	Year 2021	Year 2022	2020 vs 2021	2021 vs 2021
Revenue	0.586	5.610	23.214	857.677%	313.759%
Less: Expenses	10.262	12.915	17.246	25.857%	33.529%
Net before other income	(9.676)	(7.305)	5.968	24.505%	(181.693%)
Add :Other Income	0.005	0.003	0.146	(46.715%)	5375.436%
Net Income	(9.671)	(7.302)	6.114	(24.494%)	(183.725%)

Table II – The comparative figures of the results of operations for the six (6) months period ending June 30, 2022 with comparative figures of year 2021 and 2020 for the same period

<i>In millions (Php)</i>	For six (6) months Period Ended June 30			% Change	% Change
	Year 2020	Year 2021	Year 2022	2020 vs 2021	2021 vs 2022
Revenue	24.374	21.199	36.584	(13.022%)	72.570%
Less: Expenses	26.043	26.351	32.136	1.183%	21.955%
Net before other income	(1.669)	(5.151)	4.448	208.583%	(186.337%)
Add : Other Income	0.014	0.042	0.147	199.547%	249.521%
Net Income	(1.655)	(5.109)	4.594	208.660%	(189.915%)

Table III – The comparative figures of revenues consist of: (1) Sales from real estate business and (2) Interest Income from installments sales for the quarters ending June 30, 2022 with comparative figures of year 2021 for the same period

In Millions (Php)	For the quarter ending June 30		% Change
	Year 2021	Year 2022	2021 vs 2022
Income from Real Estate Business	4.481	22.476	401.578%
Accretion of Interest from Installment Sales	1.129	0.737	(34.717%)
Total Revenue	5.610	23.213	313.759%

Table IV – The comparative figures of revenues consist of: (1) Sales from real estate business and (2) Interest Income from installments sales for the six (6) months ending June 30, 2022 with comparative figures of year 2021 for the same period

In Millions (Php)	For the six (6) months ending June 30		% Change
	Year 2021	Year 2022	2021 vs 2022
Income from Real Estate Business	18.519	24.018	83.692%
Accretion of Interest from Installment Sales	2.680	2.566	(4.265%)
Total Revenue	21.199	36.584	72.570%

During the Second Quarter of 2021

The second quarter of 2021 brought challenges for the company, as it continued to work on all fronts while dealing with the effects of the new Covid-19 Delta variant which disrupted businesses to operate in the National Capital Region.

The General Community Quarantine (GCQ) surely will have collateral effect in all business aspects both sales and collection of the Company's receivables depending on the capability of buyers to meet future payments. The Company will continue to monitor the situation, and should the GCQ be further prolonged, the BOD may at any time form a Crisis Management Team/Committee that will focus on the impact to the Company's revenue and operations, or formulate assessment tools to measure and/or benchmark costs and expenses or anticipate scenario beyond "COVID-19", upon assumption of work and "Normal" operation.

The supposed to be marketing strategies implemented in Year 2014, specifically the holding on of some Inventory for a much better price. This strategy will create a favorable momentum for the company's operation while awaiting for the right timing on the implementation of sales forecast. The Company focused on managing and developing a new high margin inventory, increasing efficiency on land banking, and enhancing perspective for more marketing strategies. Even further, the Company also undertook fine-tuning the whole system, maintaining and improving *Colinas Verdes*, the subdivision's brand name and position to the market, sustaining and promoting strengths and advantages of the entire system, stabilizing organizational structure, conceptualizing training programs for both staff and management groups, ensuring financial resources for the operation of the whole system without compromising low cost but promoting instead effective cash management program and fund flow management.

The above strategies is already conclusive, As of June 30, 2021 there are already forty seven (47) buyers with a total lot area of 8,983 square meters of subdivided lot with average selling price of ranging from P18,000.00 to P21,000.00 per square meter (before 12% VAT), much more higher than the P7,500.00 per square meter, the average selling price when the company implemented its strategy in year 2014 by to hold-on to market its inventory for a much higher margin.

Project Percentage of Completion (PPOC), the residential area of Phase 1, Phase 2 & Phase 3 are 100%, 100% & 100% respectively complete, while the Country Club is 98.00% complete as of June 30, 2021. The Company uses the project percentage of completion (PPOC for brevity) in determining sales during the period.

The CoVid-19 has spread all over the world, even improved countries suffered the same fate and/or was hit hard by the pandemic. The spread of CoVid-19 virus has an abrupt and widespread impact not only in real estate business but all types of businesses from commercial, industrial, banking, financial institution, and shipping industry.

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- Employees are required for a car pooling those that are not accommodated by the company shuttle vehicle, regular disinfectant of the entire office premises.
- Other measures are being implemented to ease the impact of the GCQ on the employees, e.g. the early release of the prorated 13th month pay, extend cash advances to regular employees in the event that the GCQ is extended.
- Provide CoVid-19 vaccination for free.
- Business opportunity is paralyzed such as cash inflows. Presently, the Company concentrates on cash management to be able to rationalize and ensure availability of funds to sustain payments of employees' payroll recurring expenses.

While reeling from the effect of the GCQ with minimal sales during the second quarter of 2021, the activity of the Company focused only on collection of receivables. The details of financial performance of the Company in terms of revenue during the period are as follows:

Table I – The comparative figures of the results of operations for the three (3) months period ending June 30, 2021 with comparative figures of year 2020 and 2019 for the same period

<i>In millions (Php)</i>	For three (3) months Period Ended June 30			% Change	% Change
	Year 2019	Year 2020	Year 2021	2019 vs 2020	2019 vs 2020
Revenue	11.288	-0-	4.481	NA	NA15.477%
Less: Expenses	21.243	11.184	12.915	(47.352%)	
Net before other income	(9.955)	(11.184)	(8.434)	12.346%	(24.589%)
Add :Other Income	3.734	0.591	1.132	(84.172%)	91.540%
Net Income	(6.221)	(10.593)	(7.302)	70.278%	(31.068%)

Table II – The comparative figures of the results of operations for the six (6) months period ending June 30, 2021 with comparative figures of year 2020 and 2019 for the same six (6) months period

<i>In millions (Php)</i>	For six (6) months Period Ended June 30			% Change	% Change
	Year 2019	Year 2020	Year 2021	2019 vs 2020	2020 vs 2021
Revenue	22.781	18.043	18.519	(20.798%)	2.638%
Less: Expenses	43.992	26.042	26.351	(40.803%)	1.187%
Net before other income	(21.211)	(7.999)	(7.832)	(60.288%)	(2.088%)
Add : Other Income	7.309	6.344	2.723	(13.203%)	(57.078%)
Net Income	(13.902)	(1.655)	(5.109)	(88.095%)	208.701%

Table III – The comparative figures of revenues consist of: (1) Sales from real estate business and (2) Interest Income from installments sales of real estate business for the quarter ending June 30, 2021 with comparative figures of year 2020 for the same period

<i>In Millions (Php)</i>	For the quarter ending June 30		% Change
	Year 2020	Year 2021	2020 vs 2021
Income from Real Estate Business	-0-	4.481	NA
Accretion of Interest from Installment Sales	0.586	1.129	92.662
Total Revenue	0.586	5.610	857.338%

Table IV – The comparative figures of revenues consist of: (1) Sales from real estate business and (2) Interest Income from installments sales of real estate business for the six (6) months ending June 30, 2021 with comparative figures of year 2020 for the same period

<i>In Millions (Php)</i>	For the six (6) months ending June 30		% Change
	Year 2020	Year 2021	2019 vs 2020
Income from Real Estate Business	18.043	18.519	2.638%
Accretion of Interest from Installment Sales	6.331	2.681	(57.653%)
Total Revenue	24.374	21.200	(13.022%)

Management's Discussion and Analysis /Plant of Operation

Results of Operation (April 01 – June 30, 2022 vs April 01–June 30, 2023)

As mentioned above the second quarter of 2023, business operation has remains to go slow but inspite of the challenges brought about by the CoVid-19 and as will as the world-wide effect of the Ukraine crises, the global turmoil totally affected all nations. Inspite of the economic turmoil the Company find ways to minimize the impact of the economic uncertainties, The Company concentrates on cash management to be able to rationalize and ensure availability of funds to sustain payments of employees' payroll and other contractual obligation.

The moved by the National Government to classify the Metro Manila and the entire National Capital Region under “alert Level 1” it gave a go signal to all businesses to operate under the “New Normal” condition, which the management are optimistic that this scenario will somehow help the company to implement the plan of action that have been established during the pandemics to more or less put into and re-positioning for a new normal operation as planned.

Plans that are already in place during the lockdown period have already been implemented this includes the following:

- a) To intensify cost cutting measures to combat the effect of economic changed such as price increases in operating cost due to the impact of Covid-19 pandemics,
- b) To expanded land banking activities, and
- c) The marketing strategies also includes a lucrative discount and perks to all prospect buyers, and as will as giving away special incentives to marketing people to encourage them to become productive.

The percentage of revenues for the quarter ending June 30, 2023 with comparative figures for 2022 and 2021

Particulars	Year 2021	Year 2022	Year 2023
Sale from Real Estate	4,481,133	31,002,393	24,437,489
Cost of Land	1,146,476	5,335,624	3,537,155
Percentage to Revenue	25.585%	17.210%	14.474%

The percentage of revenues during the six (6) months period ending June 30, 2023 with comparative figures for 2022 and 2021

Particulars	Year 2021	Year 2022	Year 2023
Sale from Real Estate	18,518,870	42,543,693	27,450,881
Cost of Land	2,953,767	7,052,838	4,065,046
Percentage to Revenue	15.950%	16.578%	14.808%

The Company has posted a net Income (loss) after tax of (P1.765) Million at end of second quarter of 2023 as compared with the P10.527 million in 2022, and (P5.724) million in 2021 of that same period.

The deficit stands at (P418.231) million, (P405.59) million and (P410.943) million as of June 30, 2023, 2022 and 2021, respectively.

For the Quarter Ended

Particulars	Year 2021	Year 2022	Year 2023
Revenue	4.481	31.002	24.437
Less: direct costs	1.146	5.336	3.537
Gross Profit Margin	3.335	25.6667	20.900
Less: operating expenses	11.769	14.433	13.612
Net Income (before other Income)	(8.434)	11.234	7.288
Add: other income	1.132	1.009	1.109
Net income before tax	(7.302)	12.243	8.397

For the six (6) months period Ended

Particulars	Year 2021	Year 2022	Year 2023
Revenue	18.519	42.544	27.451
Less: direct costs	2.954	7.053	4.065
Gross Profit Margin	15.565	35.491	23.386
Less: operating expenses	23.397	27.606	27.570
Net Income (before other Income)	(7.832)	7.885	(3.885)
Add: other income	2.723	2.839	2.640
Net income before tax	(5.110)	10.723	(1.244)

Revenue generated during the second quarter of 2023 sales from Company's reserved subdivided lot and as well as shares from accretion of interest from installment sales from the Joint Venture Project with SLRDI and Sta. Lucia Land, Inc.

Other Income represents interest income from savings account with banks.

Liquidity and Capital Resources

As at end of June 30,

Particulars	Year 2021 (in millions)	Year 2022 (In millions)	Year 2022 (in millions)
Total assets as at end of	P2,004.751	P2,004.751	P1,997.088
Total liabilities as at end of	261.740	261.740	253.359
Ratio of assets to liabilities	7.659%	7.659%	7.882%
<i>Financial Condition</i>			
Cash and cash equivalent	0.818	0.818	7.716
Receivable	344.923	344.923	353.943
Prepaid Taxes	7.154	7.154	5.925
Real estate Inventories	901.617	901.617	893.304
Property and equipment	4.818	4.818	0.849
Investment property	674.056	674.056	674.056
Recoverable Tax	65.683	65.683	57.322
Other assets	5.682	5.682	4.000
Current liabilities	211.034	211.034	211.760
Noncurrent liabilities	50.706	50.706	55.419
Stockholders' equity	P1,743.011	P1,743.011	P1,729.937

The movement in cash and cash equivalent is attributable to the net cash flows used by the Company in its regular operating activities.

Movement in receivable is attributable to the recognition of current and non-current receivable from sales with joint venture project and other receivables.

The decrease in the real estate Inventories is attributable to the accounting of cost of land sold during the accounting period. The company is using the Percentage of Project Completion (PPOC).

The decrease in recoverable tax (Input VAT) is attributable to accounting of output vat from collection of accretion of interest income from installment sales.

The decrease in investments property is the result of reclassification of cost of more or less 58 hectares parcel of land that has been classified under Real estate inventory account in accordance with PAS 16.

The Company started land banking in year 2012 with total land acquisitions as of June 30, 2023 details of which are as follows:

Acquired from	Lot area (in Sq.m.)	Value of Land	Payment made	Balance Payable
<i>All in San Jose Del Monte Bulacan</i>				
GASDF Property	47,976	6,618,779.27	7,196,400.00	Fully paid
Don Manuel Corporation	410,377	78,201,917.21	78,201,917.21	Fully paid
BDO Strategic Holdings, Inc.	926,550	261,672,633.06	261,672,633.06	Fully paid
Marga Capital Holdings, Inc.	360,000	104,671,995.50	104,671,995.50	Fully paid
Insular Life Insurance Co.,	580,154	403,678,405.13	403,678,405.13	Fully paid
Paramount Finance Corp.	10,000	3,520,000.00	3,520,000.00	Fully paid
Rodolfo M. Cuenca	50,094	12,523,500.00	12,523,500.00	Fully paid
Subtotal	2,385,151	870,887,230.17	870,887,230.17	-0-
Pagrel Corporation	344,500	103,350,000.00	Under negotiation	103,350,000.00
Apena Foods Product, Inc.	377,200	126,322,000.00	Under negotiation	126,322,000.00
Subtotal	721,700	229,672,000.00	-0-	229,672,000.00
Total (San Jose Del Monte)	3,106,851	1,100,559,230.17	870,887,230.17	229,672,000.00
Add: Northern Luzon Area				
Manuel Bonoan	57,211	31,180,003.00	31,180,003.00	-0-
Almazan et. Al	286,480	80,559,106.61	73,925,936.61	6,633,170.00
Emma Almazan	11,862	2,526,670.00	1,254,456.00	1,272,214.00
Hugo Nat d. Juan	13,186	4,615,100.00	4,615,100.00	Fully paid
	368,739	118,880,879.61	110,974,495.61	7,905,384.00
Total Land Banking	3,475,590	1,219,440,109.78	981,862,725.78	237,577,384.00

The decrease in property and equipment is brought about by the accounting for the estimated depreciation during the period using straight line method.

The movement in accounts payable and accruals is attributed to regular accruals, deferred payments and liability from installment purchase of land.

Advances to officers and employees are deductible from their salaries and are due within one year.

No movement in available for sale investments account during the period

Increased in payables is result of accounting and payment of accounts including land banking activity.

The decrease in Stockholder's Equity is attributed to normal operational income in real estate business.

Capital Expenditure

There was no capital expenditure for the period.

Key Performance Indicators

The company operates in one (1) business segment the real estate. The following key performance indicators were adopted by the corporation in order to measure the profitability and performance of

the company and to provide management with a measure on the financial strength, liquidity and ability to maximize the value of its stockholders' investments.

For the quarter ended June 30,

Particulars	Year 2021	Year 2022	Year 2023
Current Ratio (1)	5.490 : 1	5.907 : 1	5.469 : 1
Debt to Equity Ratio (2)	1 : 0.1502	1 : 0.1453	1 : 0.1544
Earnings per Share (3)	1 : (0.00293)	1 : 0.00539	1 : (0.00090)
Earnings before Income Taxes (4)	(P5.109) million	P10.723 million	(P1.244) million
Return on Equity	(0.00328)	(0.00604)	1 : 0.00102

- 1) Current Assets / Current Liabilities
- 2) Total Liabilities / Stockholders' Equity
- 3) Net Income / Outstanding Shares
- 4) Net Income plus Interest Expenses and Provision for Income Tax
- 5) Net Income / Average Stockholder's Equity

Stockholders' Equity

-Total Stockholders' Equity in 2023 is P1,729,936,524 (Issued and paid of 1,951,387,570 shares th P1.00 par value)

- Total Stockholders' Equity in 2022 is P1,743,728,433 (Issued and paid of 1,951,387,570 shares with P1.00 par value)

- Total Stockholders' Equity in 2021 is P1,743,011,091 (Issued and paid of 1,951,387,570 shares with P1.00 par value)

Results of Operation (April 01 – June 30, 2021 vs April 01–June 30, 2022)

As mentioned above the second quarter of 2022, business operation has started to grow-up inspite of the challenges brought about by the CoVid-19 and as will as the world-wide effect of the Ukraine crises, the global turmoil totally affected all nations. The Company concentrates on cash management to be able to rationalize and ensure availability of funds to sustain payments of employees' payroll and other contractual obligation.

The moved by the National Government to classify the Metro Manila and the entire National Capital Region under "alert Level 1" it gave a go signal to all businesses to operate under the "New Normal" condition, which the management are optimistic that this scenario will somehow help the company to implement the plan of action that have been established during the pandemics to more or less put into and re-positioning for a new normal operation as planned.

Plans that are already in place during the lockdown period have already been implemented this includes the following:

- d) To intensify cost cutting measures to combat the effect of economic changed such as price increases in operating cost due to the impact of Covid-19 pandemics,
- e) To expanded land banking activities, and

- f) The marketing strategies also includes a lucrative discount and perks to all prospect buyers, and as will as giving away special incentives to marketing people to encourage them to become productive.

The percentage of revenues for the quarter ending June 30, 2021 with comparative figures for 2021 and 2020

Particulars	Year 2020	Year 2021	Year 2022
Sale from Real Estate	-0-	4,481,133	22,476,393
Cost of Land	-0-	1,146,476	4,579,268
Percentage to Revenue	-0-	25.585%	20.374%

The percentage of revenues during the six (6) months period ending June 30, 2022 with comparative figures for 2021 and 2020

Particulars	Year 2020	Year 2021	Year 2022
Sale from Real Estate	18,042,750	18,518,870	34,017,693
Cost of Land	2,752,919	2,953,767	6,296,482
Percentage to Revenue	15.258%	15.950%	18.509%

The Company has posted a net Income (loss) after tax of P3.544 Million at end of second quarter of 2022 as compared with the (P5.724) million in 2021, and (P4.349) million in 2020 of that same period.

The deficit stands at (P410.087) million, (P410.943) million and (P391.470) million as of June 30, 2022, 2021 and 2020, respectively.

For the Quarter Ended

Particulars	Year 2020	Year 2021	Year 2022
Revenue	-0-	4.481	22.476
Less: direct costs	-0-	1.146	4.579
Gross Profit Margin	-0-	3.335	17.897
Less: operating expenses	10.262	11.769	12.667
Net Income (before other Income)	(10.262)	(8.434)	5.230
Add: other income	0.590	1.132	0.884
Net income before tax	(9.671)	(7.302)	6.114

Revenue generated during the second quarter of 2022 sales from Company's reserved subdivided lot and as will as shares from accretion of interest from installment sales from the Joint Venture Project with SLRDI.

Other Income represents interest income from savings account with banks.

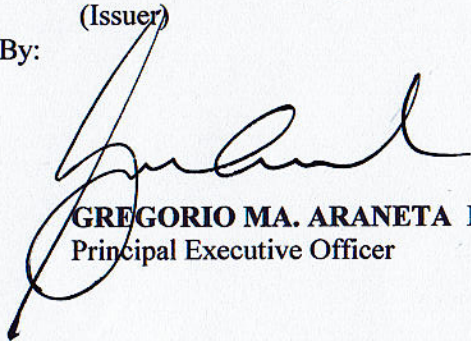
SIGNATURES

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

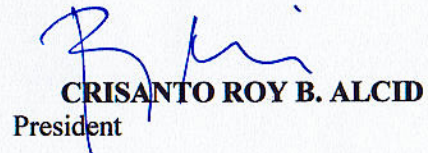
ARANETA PROPERTIES, INC.

(Issuer)

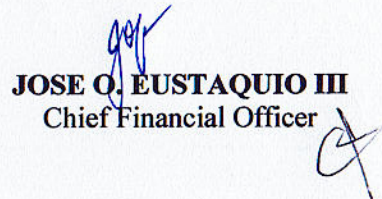
By:



GREGORIO MA. ARANETA III
Principal Executive Officer



CRISANTO ROY B. ALCID
President



JOSE O. EUSTAQUIO III
Chief Financial Officer

Date signed August 08, 2023