

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF ETON PROPERTIES PHILIPPINES, INC. HELD ON MAY 30, 2014 AT THE BALLROOM 1, MANDARIN ORIENTAL HOTEL, MAKATI AVENUE, MAKATI CITY AT 10:00 A.M.

I. CALL TO ORDER

The Chairman, Dr. Lucio C. Tan, called the meeting to order. He then requested the Officer-in-Charge, Mr. Joseph T. Chua, to preside over the rest of the meeting.

II. PROOF OF NOTICE

The Officer-in-Charge asked the Corporate Secretary if notices of the meeting had been sent. The Corporate Secretary, Atty. Erolayne C. Go, certified that proper notices of the meeting had been sent to all stockholders of record at least fifteen (15) business days prior to the date of the meeting in accordance with the Company's By-Laws and the requirements of the Securities Regulation Code and the New Disclosure Rules of the Securities and Exchange Commission. Upon motion duly made and seconded, all those present agreed to waive any defect in the sending and/or receipt of notices of the meeting.

III. CERTIFICATION OF QUORUM

The Officer-in-Charge then requested the Corporate Secretary to show proof of quorum for the meeting. The Corporate Secretary then certified that there were present in person or by proxy a total of Two Billion Eight Hundred Thirty One Million Five Hundred Eighty Thousand Nine Hundred Forty Five (2,831,580,945) shares or equivalent to 97.460% of the Company's total issued and outstanding shares, hence a quorum existed for the valid transaction of business.

IV. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Upon motion duly made and seconded, the reading of the Minutes of the Annual Stockholders' Meeting held on May 31, 2013, copies of which have been distributed to all those present, was dispensed with.

Thereafter, following a brief discussion and upon motion duly made and seconded, the Minutes of the Annual Stockholders' Meeting held on May 31, 2013, was approved.

V. CHAIRMAN'S MESSAGE

The Chairman then read his message to the stockholders. The Chairman noted that The Philippines' 7.2 percent Gross Domestic Product (GDP) in 2013 was a significant improvement from the previous year's 6.6 percent growth. Amidst the country's strong economic growth, the Company realized total revenues of almost P4.0 billion, 35 percent higher than that recorded in 2012. The Company's management directions were further assessed to examine the best way to achieve maximum returns by way of leasing activities. The Company's leasing business was strengthened with the completion of Cyberpod Centris Three and the renewal of lease contracts at competitive and market-responsive rates. To maximize yields, the Company will focus on the re-master planning of its two township developments Eton City in Sta. Rosa, Laguna and Eton Centris in Quezon City and their transformation within the next few years. With the continuous expansion of its leasing portfolio, the Chairman reaffirmed the Company's commitment to become a leading property developer. The Company's latest innovative designs shall be showcased in the upcoming commercial center, offices and hotels in Eton City and Eton Centris. The Chairman then highlighted that despite several challenges, the Company's huge landholdings for township developments and easy access to strategic properties remain a distinct advantage.

The Chairman in his message thereafter thanked the Board of Directors and shareholders for their continued support. He also thanked the officers and staff for their dedication and hard work. He ended his message by saying that by pulling all our efforts together, there's no doubt that the Company will join in the league of major property developers.

VI. MANAGEMENT REPORT

The Officer-in-Charge reported that the year 2013 was a banner year for the Philippines. Good macroeconomic fundamentals combined with heightened investor confidence sustained economic growth. It was also the first time for the Philippines to garner its first three investment-grade credit ratings in just one year.

He noted that the demand for office space in Metro Manila continued to soar with upward pressure on rental rates. Due to the limited available office space, many developers, including the Company saw the opportunity to capture this demand. Also, low interest rates worked well for the residential market as it enabled majority of developers to offer more flexible financing schemes. Retail developments provided an excellent ancillary market for families of new residential projects and provided sought-after retail platforms to business process outsourcing firms.

Against the backdrop of strong economic and property sector growth, the Company aggressively embarked on a program to review its inventory plan as well as profitability performance and revisit its strategic agenda. Total revenues in 2013 amounted to Php3.66B, an improvement of 35% from the previous year. The Company realized a net income of Php105M, climbing by 149% from last year's Php42M. The increase in revenues resulted from progress made in the construction of the Company's residential projects, such as 8 Adriatico, Eton Tower Makati, 68 Roces, West Wing Residences at North Belton Communities, and South Lake Village, Riverbend and West Wing Residences at Eton City. The Officer-in-charge noted that the Company uses the percentage-of-completion method in recognizing residential project revenues.

The Officer-in-Charge stressed that rental revenues climbed by 11% from Php405.76M in 2012 to Php448.72M the following year. The year 2013 saw the completion of Cyberpod Centris Three, the third BPO office building in Eton Centris and the full year lease contribution of five completed office buildings – Cyberpod Centris One, Cyberpod Centris Two, and the three buildings in Eton Cyberpod Corinthian. Contributing as well to the Company's recurring income base was the full lease income streams coming from Centris Walk, Centris Station, E-Life and Green Podium. The Company's office buildings are fully leased to business process outsourcing (BPO) companies as well as other top multinational companies. Occupancy rates of retail developments average 80 percent across sites. He also highlighted the completion of three major residential developments particularly Eton Tower Makati, 8 Adriatico and 68 Roces.

Unit turnovers to buyers were completed on the 7th and 8th buildings of The Manors at North Belton Communities in Quezon City, an enclave currently featuring 10 5-storey mid-rise buildings under the Belton Communities brand. Construction activities at West Wing Residences and West Wing Villas at North Belton Communities likewise went on full swing.

The re-master planning of the Company's two township projects, Eton City and Eton Centris were likewise given undivided attention. Eton City, the company's flagship master planned project, is envisioned to be a world-class city South of Manila. The construction of Village Walk, the first commercial center to rise in the sprawling 1,000 hectare community, is also ongoing.

Eton Centris, recognized as the gateway to Quezon City's Triangle Park Central Business District, is a 12-hectare mixed-use township development site. It is known to BPO offices and commercial centers and home to more new ones.

Over the immediate horizon, the Company is aggressively pursuing recurring income streams from additional commercial developments, through rental of more office and retail spaces, and on a selective basis the lease of residential units in certain projects. The Company continues to ride on the robust growth of the BPO sector, through the development of more office buildings in strategic locations, with distinct accessibility. The Company will continue to support the growth of the BPO sector by expanding its office portfolio. The new master plans for both Eton City and Eton Centris shall be undertaken in phases, with office and commercial developments placed at the forefront of activities in the coming years.

The Officer-in-charge then thanked all who have supported the Company for the last seven years –the Board of Directors, Offices and Staff who have provided selfless dedication to the company's objectives, and the shareholders who continue to trust the Company and the organization it represents. He said that with everyone's commitment to work toward common goals, the Company will be here to stay for the years to come. Thereafter, upon motion duly made and seconded, the Management Report was unanimously approved to wit:

STOCKHOLDERS' RESOLUTION NO. 01-14

“RESOLVED, that the Stockholders hereby noted and approved the Management Report reflected in the Annual Report together with the financial statements for the period ending 31 December 2013.”

VI. RATIFICATION OF ALL ACTS OF DIRECTORS AND OFFICERS DURING THE PRECEDING YEAR

The Officer-in-Charge then requested for the stockholders' confirmation and ratification of all actions and decisions made by the Management. He reminded the body that Management has included the list of Board approvals and major Management action in the Information Statement which was distributed to all Stockholders of record prior to the meeting. Thereafter, upon motion duly made and seconded, it was unanimously approved, thus:

STOCKHOLDERS' RESOLUTION NO. 02-14

“RESOLVED, that all resolutions approved by the Board of Directors and acts of management from May 31, 2013 up to the present be as they are hereby approved, confirmed and ratified, as if each of such resolutions had been adopted with specific and special authorization by the stockholders in a meeting duly convened and held.”

VII. AMENDMENT OF ARTICLE III OF THE AMENDED ARTICLES OF INCORPORATION

The Officer-in-Charge then proceeded to discuss the next item in the Agenda which is the amendment of the Amended Articles of Incorporation, specifically Article III thereof, to reflect the exact and specific address of the Corporation from Metro Manila, Philippines to 8/F Allied Bnak Center, 6754 Ayala Avenue, Makati City, Metro Manila, Philippines in order to comply with Securities and Exchange Commission (SEC) Memorandum Circular No. 6, Series of 2014. Thereafter, upon motion duly made and seconded, it was unanimously approved, thus:

STOCKHOLDERS' RESOLUTION NO. 03-14

RESOLVED, that the Stockholders hereby approve and authorize the amendment of the Amended Articles of Incorporation to reflect the exact and specific address of the Corporation from Metro Manila, Philippines to 8/F Allied Bank Center, 6754 Ayala Avenue, Makati City, Metro Manila, Philippines, and for this purpose, Article III of the Amended Articles of Incorporation, be as it is hereby amended to read as follows:

THIRD: That the place where the principal office of the corporation is to be established or located is in 8/F Allied Bank Center, 6754 Ayala Avenue, Makati City, Metro Manila, Philippines.

VIII. AMENDMENT OF ARTICLE II, SECTION 6; ARTICLE III, SECTION 11; ARTICLE IV SECTION 1; AND ARTICLE IV SECTION 3 OF THE AMENDED BY-LAWS

The Officer-in-Charge then proceeded to discuss the next item in the Agenda which is the amendment of the Amended By-Laws, specifically Article II, Section 6, Article III, Section 11, Article IV Sections 1 and 3 thereof, to reflect the abolition of the Vice-Chairman Position of the Corporation. Thereafter, upon motion duly made and seconded, it was unanimously approved, thus:

STOCKHOLDERS' RESOLUTION NO. 03-14

RESOLVED, that the Stockholders hereby approve and authorize the amendment of the Amended By-Laws of the Corporation to reflect the abolition of the Vice-Chairman position of the Corporation, and for this purpose, Article II, Section 6; Article III, Section 11; Article IV, Sections 1 and 3 of the Amended By-Laws, be as it is hereby amended to read as follows:

Article II, Section 6. Conduct of Meeting – Meetings of the stockholders shall be presided over by the Chairman, or in his absence, by the President. xxx

Article III, Section 11. Conduct of the Meetings – Meetings of the Board of Directors shall be presided over by the Chairman of the Board of Directors, or in his absence, by the President. xxx

Article IV, Section 1. Election/Appointment – Immediately after the election, the Board of Directors shall formally organize by electing the Chairman of the Board of Directors, the President, the Treasurer, and the Secretary at said meeting and who shall hold office for one year and until their successors shall have been elected and shall have qualified.

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Article IV, Section 3. President – The President, who shall be a director, shall be the Chief Executive Officer of the Corporation and shall have administration and direction of the day-to-day business affairs of the Corporation. He/She shall exercise the following functions:

- (a) To preside at the meeting of the directors and the stockholders in the absence of the Chairman of the Board;

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IX. ELECTION OF DIRECTORS

The Officer-in-Charge then declared that the floor was open for the nomination of the directors for the calendar year 2014 to 2015.

Upon motion duly made and seconded, the following were nominated as new directors of the Company:

LUCIO C. TAN
HARRY C. TAN
LUCIO K. TAN, JR.
MICHAEL G. TAN
JUANITA T. TAN LEE
RAMON S. PASCUAL
JOSEPH T. CHUA
WASHINGTON Z. SYCIP

Independent Directors
WILFRIDO E. SANCHEZ
ANTONINO L. ALINDOGAN, JR.
JOHNIP G. CUA

The nomination was closed and noting that there were eleven (11) individuals who were nominated, corresponding to the number of seats in the Board, the Officer-in-Charge, upon motion duly made and seconded, thereafter instructed the Corporate Secretary to cast the votes equally in favor of the above-nominated stockholders and declared them as having been duly elected members of the Board of Directors of the Company.


IX. ADJOURNMENT

There being no other business to be discussed and upon motion duly made and seconded, the meeting was adjourned.

CERTIFIED CORRECT:


EROLAYNE C. GO
Corporate Secretary

ATTESTED BY:


LUCIO C. TAN
Chairman