

**LAND BANK OF THE PHILIPPINES**  
**STATEMENTS OF CHANGES IN CAPITAL FUNDS - GROUP**  
**For the years ended December 31, 2015 and 2014**  
(In Philippine Pesos)

	Common Stock		Paid-in	Retained Earnings	Retained Earnings	Undivided	Revaluation	Net Unrealized	
	Shares	Amount	Surplus	Free	Reserve	Profits	Increment	Gain/Loss on Securities	T O T A L
<b>Balance, December 31, 2013</b>	<b>1,197,100,000</b>	<b>11,971,000,000</b>	<b>101,098,220</b>	<b>17,401,514,252</b>	<b>24,481,710,645</b>	<b>11,780,443,475</b>	<b>61,200,000</b>	<b>16,333,552,278</b>	<b>82,130,518,870</b>
Net income during the year						12,642,378,560			12,642,378,560
Net unrealized loss on securities								(2,832,655,029)	(2,832,655,029)
Declaration of cash dividends				(6,123,822,037)					(6,123,822,037)
Transfer to retained earnings free				11,780,443,475		(11,780,443,475)			-
Transfer to retained earnings reserve				(2,893,000,000)	2,893,000,000				-
Payment of Trust Operations Business' judgement Obligation and BSP Penalty					(338,941,476)				(338,941,476)
PFRS/prior period adjustment				(491,898,483)					(491,898,483)
Currency translation difference				(197,713)					(197,713)
<b>Balance, December 31, 2014</b>	<b>1,197,100,000</b>	<b>11,971,000,000</b>	<b>101,098,220</b>	<b>19,673,039,494</b>	<b>27,035,769,169</b>	<b>12,642,378,560</b>	<b>61,200,000</b>	<b>13,500,897,249</b>	<b>84,985,382,692</b>
Net income during the year						13,968,627,299			13,968,627,299
Net unrealized loss on securities								(2,553,800,507)	(2,553,800,507)
Declaration of cash dividends				(6,136,074,048)					(6,136,074,048)
Transfer to retained earnings free				12,642,378,560		(12,642,378,560)			0
Transfer to retained earnings reserve				(710,000,000)	710,000,000				0
PFRS/prior period adjustment				(991,417,779)	(555,225,421)				(1,546,643,200)
Closure of excess book value over cost of investment in subsidiaries				1,555,035					1,555,035
Closure/Dissolution of LBP Finance Services, Italy				30,718,778	(36,716)				30,682,062
Currency translation difference				(1,415,440)					(1,415,440)
<b>Balance, December 31, 2015</b>	<b>1,197,100,000</b>	<b>11,971,000,000</b>	<b>101,098,220</b>	<b>24,508,784,600</b>	<b>27,190,507,032</b>	<b>13,968,627,299</b>	<b>61,200,000</b>	<b>10,947,096,742</b>	<b>88,748,313,893</b>

The Notes on pages 10 to 74 form part of these financial statements.