



**D.M. Wenceslao & Associates**  
**Net Income Accelerates 23% to P1,911 million in 2018**

**Paranaque City, Philippines, February 18, 2019** — D.M. Wenceslao & Associates, Incorporated (PSE: DMW) reports net income attributable to equity holders of P1,911.2 million in 2018, 23% higher from 2017. Net income margin reached 89% from 56% in the prior year, reflecting continued momentum in each of the businesses with office and residential segments as highlights in 2018.

Revenues amounted to P2,152.3 million, of which P1,901.2 million or 88% are recurring income from rentals. Leasing of land grew 5% to P965.2 million and while rentals of buildings and other revenues related to leasing increased 77% and 90% to P762.1 million and P173.8 million, respectively. Residential unit sales increased 153% to P119.4 million. Meanwhile, other income in connection with the settlement of the Company's joint venture agreements was P1,200 million.

Delfin Angelo "Buds" C. Wenceslao, chief executive officer, said, "We have a clear set of strong results and compelling opportunities ahead. Profitability has consistently improved over the years, with net income increasing 26% annually since 2016. Our holistic approach to Aseana City master plan brings together our construction and real estate development capabilities from project planning to property management. This full scope of services provides us with a diversified earnings base and substantial recurring revenue streams. More importantly, it positions us well to complete approximately 380,000 square meters (sq.m.) of leasable and saleable properties by 2022 and grow Aseana City into a next generation central business district within Metro Manila."

Throughout 2018, DMW has made progress in spearheading the development of Aseana City through implementing its pipeline projects. Earlier in the year, the Company has delivered its third office building, Aseana Three, which added 30,000 sq.m. to the Company's total leasable gross floor area. Construction of 8912 Asean Ave. (formerly Aseana Four) has also started in light of sustained office demand and is on track for 2020



completion. During the fourth quarter, the Company has unveiled its second residential project. MidPark Towers is a four-tower condominium development with 42,000 sq.m. saleable floor area positioned as luxury property.

“The rising economic activity and employment opportunities in the Manila Bay area make the residential segment highly promising. We have expanded our footprint in this fast-growing market which we expect to rise further in 2019. MidPark Towers has achieved significant sales in the few weeks it has been available, where one tower was sold in one month since the project was launched in November. As of February 15, it has sold an aggregate of P2,811 million worth of units—an excellent performance considering we are less than two months into the year.”

On February 15, the Company announced Board approval of P120 million special cash dividend. “Following this special dividend, we continue to be at a level where our strong operating results and growth outlook enable us to look ahead from a position of stability and strength,” said Wenceslao. “We remain focused on delivering the plan we set out at the time of our initial public offering while being mindful to make any necessary adjustments as market conditions evolve.”

In line with the new accounting standards PFRS 9 and 15, DMW has restated its consolidated statements of profit and financial position. To facilitate year-on-year comparisons, DMW has disclosed restated financial information for full year 2016 and 2017. The new standard impacts the presentation of recognition of residential revenue and costs, while having no impact on cash flow.

At December 31, 2018, the Company’s total leasable gross floor area aggregated to 89,914 sq.m., leased land area was 155,418 sq.m. and land reserves in Aseana City totaled 313,415 sq.m.

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## ABOUT D.M. WENCESLAO & ASSOCIATES, INCORPORATED

DMW is an integrated property developer with expertise in land reclamation, construction and real estate development. It is the master developer and primary owner of Aseana City, a development project with a total land area of 107.5 hectares located along the coastal waters of Manila Bay. Since 1965, DMW has reclaimed more than 2.4 million square meters of land, leased or developed 245,000 square meters of land and buildings, and completed over 100 construction and infrastructure projects including large, complex government developments throughout the Philippines.

For further information, visit [dmwai.com](http://dmwai.com) or contact [iro@dmwai.com](mailto:iro@dmwai.com)

**D.M. WENCESLAO & ASSOCIATES, INCORPORATED AND SUBSIDIARIES**  
*(A Subsidiary of Wendel Holdings Co., Inc.)*  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2018, 2017 AND 2016**  
*(Amounts in Philippine Pesos)*

	Notes	2018	2017 (As Restated – See Note 2)	2016 (As Restated – See Note 2)
<b><u>A S S E T S</u></b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	8	<b>P 7,549,219,648</b>	P 1,444,538,812	P 819,515,765
Receivables - net	9	<b>2,704,145,528</b>	2,182,085,090	2,097,780,621
Contract asset	10	<b>166,652,337</b>	47,301,272	684,636
Land and land development costs	11	<b>3,323,577,493</b>	3,323,617,571	3,519,847,473
Property development costs	10	<b>711,411,174</b>	595,108,501	24,333,237
Other current assets	12	<b>1,787,207,008</b>	569,054,003	300,649,021
Total Current Assets		<b>16,242,213,188</b>	8,161,705,249	6,762,810,753
<b>NON-CURRENT ASSETS</b>				
Receivables	9	<b>2,488,826,277</b>	1,916,924,794	1,754,944,365
Advances to and investments in associates, joint ventures and other related parties	13	<b>162,685,798</b>	3,021,503,843	3,023,342,805
Property and equipment - net	14	<b>130,657,585</b>	143,938,556	166,801,601
Investment properties - net	15	<b>15,962,387,723</b>	15,622,693,051	14,998,276,590
Other non-current assets	16	<b>229,605,927</b>	118,434,946	76,791,984
Total Non-current Assets		<b>18,974,163,310</b>	20,823,495,190	20,020,157,345
<b>INVESTMENT IN SHARES OF STOCK HELD FOR TERMINATION</b>				
	13	<b>2,866,289,204</b>	-	-
<b>TOTAL ASSETS</b>		<b>P 38,082,665,702</b>	P 28,985,200,439	P 26,782,968,098

	Notes	2018	2017 (As Restated – See Note 2)	2016 (As Restated – See Note 2)
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Loans and borrowings	17	P 1,417,170,000	P 1,656,593,434	P 2,148,561,483
Trade and other payables	18	1,066,723,926	1,132,709,964	564,897,068
Contract liability	10	397,037,843	170,972,394	14,169,524
Advances from a co-joint venturer	13	1,000,000,000	1,000,000,000	1,000,000,000
Advances from related parties	25	307,602,796	312,485,234	320,226,591
Estimated liability for land development costs	2	574,517,094	570,710,150	477,517,753
Deposits and advances	19	606,973,575	493,725,131	306,652,425
Total Current Liabilities		5,370,025,234	5,337,196,307	4,832,024,844
<b>NON-CURRENT LIABILITIES</b>				
Loans and borrowings	17	511,750,000	820,309,511	514,847,791
Due to a related party	25	4,303,572,018	4,343,572,018	4,343,572,018
Estimated liability for land development costs	2	6,824,090,834	7,035,709,522	7,270,889,017
Deposits and advances	19	490,578,462	573,963,532	702,906,705
Deferred tax liabilities - net	24	774,639,363	575,414,931	378,279,697
Retirement benefit obligation	23	27,643,914	65,698,627	75,018,446
Total Non-current Liabilities		12,932,274,591	13,414,668,141	13,285,513,674
Total Liabilities		18,302,299,825	18,751,864,448	18,117,538,518
<b>EQUITY</b>				
Equity attributable to holders of the parent company				
Capital stock	27	3,395,864,100	2,716,691,200	1,716,691,200
Additional paid-in capital	27	6,964,649,807	-	-
Revaluation reserves - net	27	( 28,524,335 )	( 10,935,176 )	( 21,052,954 )
Other reserves	2, 27	( 275,974,845 )	( 275,974,845 )	( 275,974,845 )
Retained earnings	27	9,055,837,675	7,144,592,185	6,586,129,587
Total equity attributable to holders of the parent company		19,111,852,402	9,574,373,364	8,005,792,988
Noncontrolling interest	2	668,513,475	658,962,627	659,636,592
Total Equity		19,780,365,877	10,233,335,991	8,665,429,580
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P 38,082,665,702</b>	<b>P 28,985,200,439</b>	<b>P 26,782,968,098</b>

See Notes to Consolidated Financial Statements.

**D.M. WENCESLAO & ASSOCIATES, INCORPORATED AND SUBSIDIARIES**  
*(A Subsidiary of Wendel Holdings Co., Inc.)*  
**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**  
**FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016**  
*(Amounts in Philippine Pesos)*

	Notes	<b>2018</b>	2017 (As Restated – See Note 2)	2016 (As Restated – See Note 2)
<b>REVENUES</b>				
Rentals:				
Land	15, 25, 28	<b>P 965,248,664</b>	P 919,417,814	P 860,514,881
Building	15, 25, 28	<b>762,108,933</b>	429,701,872	344,601,606
Other revenues	2	<b>173,841,016</b>	91,687,180	65,930,007
		<b>1,901,198,613</b>	1,440,806,866	1,271,046,494
Construction contracts	2	<b>130,524,057</b>	202,132,945	231,163,640
Sale of condominium units	2, 10, 22	<b>119,351,066</b>	47,116,581	684,636
Land sales	2	<b>1,252,800</b>	1,088,290,000	600,656,000
		<b>2,152,326,536</b>	2,778,346,392	2,103,550,770
<b>COSTS OF SERVICES AND SALES</b>				
Rentals	22			
Rentals	20	<b>212,361,243</b>	135,749,456	130,086,877
Construction contracts	20	<b>61,508,781</b>	132,234,603	201,953,484
Sale of condominium units:	2, 10	<b>72,875,718</b>	30,332,254	445,474
Land sales	11	<b>40,078</b>	141,520,283	120,375,150
		<b>346,785,820</b>	439,836,596	452,860,985
		<b>1,805,540,716</b>	2,338,509,796	1,650,689,785
<b>GROSS PROFIT</b>				
<b>OTHER OPERATING EXPENSES</b>				
General and administrative	22	<b>531,029,605</b>	468,905,107	281,255,166
Selling		<b>9,784,342</b>	3,640,829	10,491,020
		<b>540,813,947</b>	472,545,936	291,746,186
		<b>1,264,726,769</b>	1,865,963,860	1,358,943,599
<b>OPERATING PROFIT</b>				
<b>OTHER INCOME (CHARGES)</b>				
Finance costs	17, 21, 23	<b>( 73,636,302 )</b>	( 73,139,306 )	( 87,040,641 )
Finance income	8, 10, 21	<b>71,392,566</b>	7,163,743	3,960,548
Share in net income (losses) of associates and joint ventures	13	<b>6,307,878</b>	( 992,977 )	( 5,297,857 )
Gain on sale of investment properties	15	<b>-</b>	257,686,063	312,453,208
Other income	21	<b>1,309,524,290</b>	35,827,968	63,016,382
		<b>1,313,588,432</b>	226,545,491	287,091,640
		<b>2,578,315,201</b>	2,092,509,351	1,646,035,239
<b>PROFIT BEFORE TAX</b>				
<b>TAX EXPENSE</b>	24	<b>657,518,863</b>	534,720,719	437,029,124
		<b>P 1,920,796,338</b>	P 1,557,788,632	P 1,209,006,115
<b>NET PROFIT</b>				
Net profit attributable to:				
Equity holders of the parent company		<b>P 1,911,245,490</b>	P 1,558,462,597	P 1,206,692,948
Noncontrolling interest		<b>9,550,848</b>	( 673,965 )	2,313,167
		<b>P 1,920,796,338</b>	P 1,557,788,632	P 1,209,006,115
<b>Earnings Per Share - Basic and Diluted</b>	26	<b>P 0.63</b>	P 0.57	P 0.70

*See Notes to Consolidated Financial Statements.*

**D.M. WENCESLAO & ASSOCIATES, INCORPORATED AND SUBSIDIARIES**  
*(A Subsidiary of Wendel Holdings Co., Inc.)*  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016**  
*(Amounts in Philippine Pesos)*

	Notes	2018	2017 (As Restated – See Note 2)	2016 (As Restated – See Note 2)
<b>NET PROFIT</b>		<b>P 1,920,796,338</b>	<b>P 1,557,788,632</b>	<b>P 1,209,006,115</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
Remeasurements of post-employment defined benefit plan	23	( 25,441,148 )	14,339,519	( 23,902,041 )
Tax income (expense)	24	7,632,344	( 4,301,856 )	7,170,612
		( 17,808,804 )	10,037,663	( 16,731,429 )
Fair valuation of financial assets at fair value through other comprehensive income	16, 27	219,645	80,115	( 80,695 )
<b>Other Comprehensive Income (Loss) – net of tax</b>	27	( 17,589,159 )	10,117,778	( 16,812,124 )
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>P 1,903,207,179</b>	<b>P 1,567,906,410</b>	<b>P 1,192,193,991</b>
Total comprehensive income attributable to:				
Equity holders of the parent company		P 1,893,656,331	P 1,568,580,375	P 1,189,880,824
Noncontrolling interest		9,550,848	( 673,965 )	2,313,167
		<b>P 1,903,207,179</b>	<b>P 1,567,906,410</b>	<b>P 1,192,193,991</b>

*See Notes to Consolidated Financial Statements.*

**D.M. WENCESLAO & ASSOCIATES, INCORPORATED AND SUBSIDIARIES**  
*(A Subsidiary of Wendel Holdings Co., Inc.)*  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016**  
*(Amounts in Philippine Pesos)*

Notes	Attributable to Owners of the Parent Company							Noncontrolling Interest	Total Equity	
	Capital Stock	Additional Paid-in Capital	Revaluation Reserves - net	Other Reserves	Retained Earnings		Total			
					Unappropriated	Appropriated				
Balance at January 1, 2018	P 2,716,691,200	P -	( P 10,935,176)	( P 275,974,845)	P 5,968,150,683	P 1,200,000,000	P 9,597,931,862	P 658,962,627	P 10,256,894,489	
As previously stated	-	-	-	-	( 23,558,498)	-	( 23,558,498)	-	( 23,558,498)	
Effect of restatements	2	-	-	-	-	-	-	-	-	
As restated	2,716,691,200	-	( 10,935,176)	( 275,974,845)	5,944,592,185	1,200,000,000	9,574,373,364	658,962,627	10,233,335,991	
Issuances during the year	27	679,172,900	6,964,649,807	-	-	-	7,643,822,707	-	7,643,822,707	
Total comprehensive income for the year		-	( 17,589,159)	-	1,911,245,490	-	1,893,656,331	9,550,848	1,903,207,179	
Balance at December 31, 2018	27	<u>P 3,395,864,100</u>	<u>P 6,964,649,807</u>	<u>( P 28,524,335)</u>	<u>( P 275,974,845)</u>	<u>P 7,855,837,675</u>	<u>P 1,200,000,000</u>	<u>P 19,111,852,402</u>	<u>P 668,513,475</u>	<u>P 19,780,365,877</u>
Balance at January 1, 2017		P 1,716,691,200	P -	( P 21,052,954)	( 275,974,845)	P 5,407,669,358	P 1,200,000,000	P 8,027,332,759	P 659,636,592	P 8,686,969,351
As previously stated		-	-	-	-	( 21,539,770)	-	( 21,539,770)	-	( 21,539,770)
Effect of restatements	2	-	-	-	-	-	-	-	-	
As restated	1,716,691,200	-	( 21,052,954)	( 275,974,845)	5,386,129,588	1,200,000,000	8,005,792,989	659,636,592	8,665,429,581	
Stock dividends declared	27	1,000,000,000	-	-	-	( 1,000,000,000)	-	-	-	
Total comprehensive income for the year		-	-	10,117,778	-	1,558,462,597	-	1,568,580,375	( 673,965)	1,567,906,410
Balance at December 31, 2017	27	<u>P 2,716,691,200</u>	<u>P -</u>	<u>( P 10,935,176)</u>	<u>( P 275,974,845)</u>	<u>P 5,944,592,185</u>	<u>P 1,200,000,000</u>	<u>P 9,574,373,364</u>	<u>P 658,962,627</u>	<u>P 10,233,335,991</u>
Balance at January 1, 2016		P 1,716,691,200	P -	( P 4,240,830)	( 275,974,845)	P 4,207,477,612	P 1,200,000,000	P 6,843,953,137	P 657,323,425	P 7,501,276,562
As previously stated		-	-	-	-	( 28,040,973)	-	( 28,040,973)	-	( 28,040,973)
Effect of restatements	2	-	-	-	-	-	-	-	-	
As restated	1,716,691,200	-	( 4,240,830)	( 275,974,845)	4,179,436,639	1,200,000,000	6,815,912,164	657,323,425	7,473,235,589	
Total comprehensive income for the year		-	-	( 16,812,124)	-	1,206,692,948	-	1,189,880,824	2,313,167	1,192,193,991
Balance at December 31, 2016	27	<u>P 1,716,691,200</u>	<u>P -</u>	<u>( P 21,052,954)</u>	<u>( P 275,974,845)</u>	<u>P 5,386,129,587</u>	<u>P 1,200,000,000</u>	<u>P 8,005,792,988</u>	<u>P 659,636,592</u>	<u>P 8,665,429,580</u>

*See Notes to Consolidated Financial Statements.*



**D.M. WENCESLAO & ASSOCIATES, INCORPORATED AND SUBSIDIARIES**  
*(A Subsidiary of Wendel Holdings Co., Inc.)*  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016**  
*(Amounts in Philippine Pesos)*

	Notes	2018	2017 (As Restated – See Note 2)	2016 [As Restated – See Note 2]
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax		<b>P 2,578,315,201</b>	P 2,092,509,351	P 1,646,035,239
Adjustments for:				
Depreciation and amortization	14, 15	149,215,759	110,657,533	100,326,674
Finance costs	21	75,551,501	73,139,306	87,040,641
Finance income	21	( 66,668,597 )	( 7,154,349 )	( 2,993,008 )
Share in net losses of associates and joint ventures	13	( 6,307,878 )	992,977	5,297,857
Unrealized foreign currency gains - net		( 2,854,408 )	( 9,394 )	( 967,540 )
Gain on sale of investment properties	15	-	( 257,686,063 )	( 312,453,208 )
Operating profit before working capital changes		<u>2,727,251,578</u>	2,012,449,361	1,522,286,655
Increase in receivables		( 1,143,020,399 )	( 327,049,521 )	( 658,183,568 )
Increase in contract assets		( 119,351,065 )	( 46,616,636 )	( 684,636 )
Decrease in land and land development costs		40,078	141,520,283	120,375,150
Increase in property development costs		( 116,302,673 )	( 570,775,264 )	( 24,333,237 )
Increase in other assets		( 566,514,870 )	( 578,033,233 )	( 182,090,428 )
Increase (decrease) in trade and other payables		( 65,986,038 )	567,812,896	( 79,381,828 )
Increase in contract liability		226,065,449	156,802,870	14,169,524
Decrease in estimated liability for land development costs		( 207,811,744 )	( 141,987,098 )	( 90,073,393 )
Increase (decrease) in deposits and advances		28,348,640	56,679,938	( 84,115,017 )
Increase (decrease) in retirement benefit obligation		( 68,178,183 )	1,013,715	1,745,184
Cash generated from operations		<u>694,540,773</u>	1,271,817,311	539,714,406
Cash paid for final and capital gains taxes	24	( 13,251,558 )	( 24,993,156 )	( 42,926,624 )
Interest received		<u>66,668,597</u>	7,154,349	2,993,008
Net Cash From Operating Activities		<u>747,957,812</u>	1,253,978,504	499,780,790
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment in short-term placements	12	( 1,200,000,000 )	-	-
Construction in progress and development costs of investment properties	15	( 417,451,267 )	( 746,426,905 )	( 392,831,907 )
Net collection from (additional advances to) and investments in associates, joint ventures and other related parties	25	45,979,998	13,578,391	( 28,673,762 )
Acquisitions of property and equipment	14	( 29,848,923 )	( 18,908,741 )	( 62,800,578 )
Proceeds from sale of investment properties	15	-	448,828,202	465,510,000
Acquisition of financial assets at FVOCI	16	-	( 48,828,780 )	( 1,250,000 )
Net Cash Used in Investing Activities		<u>( 1,601,320,192 )</u>	( 351,757,833 )	( 20,046,247 )
<i>Balance carried forward</i>		<u>( P 853,362,380 )</u>	P 902,220,671	P 479,734,543

	Notes	2018	2017 (As Restated – See Note 2)	2016 [As Restated – See Note 2]
<i>Balance brought forward</i>		<b>( P 853,362,380 )</b>	P 902,220,671	P 479,734,543
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issuance of shares of stock	22	<b>7,643,822,707</b>	-	-
Repayments of interest-bearing loans and borrowings	17	<b>( 1,552,982,945 )</b>	( 545,478,732 )	( 637,348,888 )
Additional interest-bearing loans and borrowings	17	<b>1,005,000,000</b>	358,972,403	421,211,951
Finance costs paid		<b>( 95,768,516 )</b>	( 82,959,332 )	( 81,872,909 )
Repayments of advances from related parties	25	<b>( 44,882,438 )</b>	( 8,960,439 )	( 4,256,785 )
Advances received from related parties	25	<b>-</b>	1,219,082	595,000
Net Cash Used in Financing Activities		<b>6,955,188,808</b>	<b>( 277,207,018 )</b>	<b>( 301,671,631 )</b>
<b>Effect of Changes in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>2,854,408</b>	9,394	967,540
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>6,104,680,836</b>	625,023,047	179,030,452
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>1,444,538,812</b>	819,515,765	640,485,313
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>P 7,549,219,648</b>	P 1,444,538,812	P 819,515,765

**Supplemental Information on Noncash Activities:**

- In 2018, the Group reclassified its investment in joint venture which was previously presented under Investments in and Advances to Associates, Joint Ventures and Other Related Parties to Investment in Shares of Stock Held for Termination amounting to P2,866.3 million (see Note 15). There was no similar transaction in 2017 and 2016.
- In 2018, 2017 and 2016, capitalized borrowing costs amounted to P28.3 million, P16.3 million and P1.4 million, respectively (see Notes 15 and 17).
- On January 20, 2017, the Board of Directors and stockholders approved the declaration of stock dividends representing 1,000,000,000 common shares or equivalent to P1,000.0 million (see Note 27).
- In 2017, the Group purchased parcels of land from a certain stockholder amounting to P67.0 million. There was no outstanding liabilities related to this transaction as of December 31, 2017 as the related liability was offset against the advances granted to the related party [see Notes 15(b) and 25]. There was no similar transaction in 2018 and 2016.
- In 2017 and 2016, the Group sold certain investment properties to third parties with selling price amounting to P400.9 million and P713.1 million, respectively. The outstanding balance from these transactions amounted to P226.1 million as of December 31, 2016 and is presented as part of Installment receivables under Receivables account, which was collected in full in 2017 (see Notes 9 and 15). There was no outstanding receivable from the 2017 transaction. There was no similar transaction in 2018.
- In 2017 and 2016, the Group reclassified certain parcels of land which were previously presented under Land and Land Development Costs to Investment Properties amounting to P54.7 million and P186.5 million, respectively. The reclassification resulted from change in management's intention to hold the related land for rental purposes (see Notes 11 and 15). There was no similar transaction in 2018.
- In 2016, the Group recognized an adjustment on estimated liability for land development which resulted in a corresponding decrease in Land and Land Development Costs and Investment Properties (see Notes 3, 11 and 15). There was no similar transaction in 2018 and 2017.

*See Notes to Consolidated Financial Statements.*