

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended **December 31, 2010**
2. SEC 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**
Province, Country or other jurisdiction of
incorporation or organization
6. _____ (SEC Use Only)
Industry Classification Code
7. **28/F, East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City** **1600**
Address of principal office Postal Code
8. **632 / 635-3016**
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 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding |
|---------------------------------------|--|
| Common Stock, P 1.00 par value | 6,350,899,542 |
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 SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 1(a)-1 thereunder, and Section 26 and 141 of the Corporation Code of the Philippines during the preceding 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 []
13. Aggregate market value of voting stock held by non-affiliates: **P31.0 billion**
This was computed by multiplying the no. of voting stocks held by non-affiliates by the stock's closing price on February 17, 2011.

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PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

Background

Belle Corporation ("Belle" or the "Company") was incorporated in 1973 as Belle Mining and Oil Exploration, Incorporated ("Belle Resources") and, in 1976, was listed on the Philippine Stock Exchange. In 1989, Belle Resources developed a golf club named Tagaytay Highlands International Golf Club, Incorporated ("Tagaytay Highlands"), which became its initial foray into the property development sector. In 1994, Belle Resources changed its name to Belle Corporation to underscore the shift in its principal activity. In 1996, a publicly-listed affiliate, Dominion Asian Equities, Incorporated, was merged into Belle, with Belle being the surviving entity. Dominion was Belle's partner in its gaming-related investments and selected property ventures. The merger resulted in the consolidation of the gaming and property development activities of Belle and Dominion. Belle has since refocused its activities away from gaming and onto property development.

In early 2001, Belle decided to spin-off some of its property development assets. The spin-off involved the transfer of approximately 534 hectares of undeveloped land, 70 developed subdivision lots and 25 finished residential units into a newly formed subsidiary, Highlands Prime, Incorporated ("Highlands Prime"). Highlands Prime was registered with the Securities and Exchange Commission on February 15, 2001, and its shares became listed on the Philippine Stock Exchange on April 23, 2002, at which time Belle sold approximately 64% of its interest in Highlands Prime to investors.

Development of the Business of the Registrant and its Subsidiaries/Affiliates during the Past 3 Years

Belle, the registrant, shifted its principal activity from mining and oil exploration to property development when it developed a golf course named Tagaytay Highlands Golf Club in 1989. Its property development projects are located in Tagaytay City and Batangas, and include the following: Alta Mira, Fairfield, Lakeside Fairways, Lakeview Heights, Pinecrest Village, Plantation Hills, Tagaytay Highlands Golf Club, Tagaytay Midlands Golf Club, The Belleview, The Country Club at Tagaytay Highlands, The Parks at Saratoga Hills, The Spa and Lodge at Tagaytay Highlands, The Verandas at Saratoga Hills, The Villas, and The Woodlands. Due to the overwhelming success of Plantation Hills, Belle launched its fourth phase (named "The Heights") in 2005. The Heights was completed during the first quarter of 2007. Land development work for The Parks at Saratoga Hills ("The Parks"), a house and lot development north of Plantation Hills, was completed as of December 31, 2007. Construction of individual houses is ongoing, as units are sold. Land development for The Verandas at Saratoga Hills ("The Verandas") was also completed as of December 31, 2007. The Verandas was launched during the fourth quarter of 2006 as a subdivision lots project. Saratoga Hills follows an American Country theme. In October 2009, Belle launched a new subdivision project named Fairfield in Tanauan, Batangas, within The Saratoga Hills development area. Fairfield, located adjacent to The Verandas, was 90% complete as of December 31, 2010. In April 2010, Nob Hill, the second phase of Fairfield was launched and was 24% complete as of December 31, 2010.

Lakeside Fairways was introduced by Belle in April 2007. This project consists of subdivision lots located south of the existing 18-hole Tagaytay Midlands golf course in Talisay, Batangas. The construction of 9 more holes for the Tagaytay Midlands golf course also commenced after ground breaking for Lakeside Fairways, during the first half of 2008. As of December 31, 2010, the first four phases of Lakeside Fairways (Kew Gardens, Terrazas de Alava, Lakeside Enclave and Tivoli Place) average a completion rate of 98%. The fifth and sixth phases (Cotswold and Katsura, respectively) were both 90% complete as of December 31, 2010. In April 2010, Belle launched the addition to its Katsura line of Japanese themed subdivision properties namely Yume, which was 8% complete as of December 31, 2010.

Highlands Prime (incorporated in 2001) is a 36%-owned affiliate of Belle. Its properties are located mainly in the vicinity of the Tagaytay Highlands and Tagaytay Midlands golf clubs in Calamba, Tagaytay City and Batangas. In 2002, Highlands Prime started the development of The Woodridge, a high-end multi-family condominium complex with an environmentally-sensitive "highlands rustic" design, located in Tagaytay Highlands, which was completed and fully sold in 2006. In 2004, Highlands Prime started construction of another condominium project, called The Horizon at Tagaytay Midlands, a 220-unit condominium development beside the north fairways of the Tagaytay Midlands golf course. In 2007, Highlands Prime launched Woodridge Park, a 65-unit, 7-building condominium complex near The Woodridge, and The Hillside, a lots-only subdivision. In 2008, Woodlands Point, a subdivision of 60 log houses, was launched. In 2009, Highlands Prime launched Pueblo Real, a subdivision overlooking the Tagaytay Midlands golf course. Highlands Prime shares became listed on the Philippine Stock Exchange on April 23, 2002. For 2010, Highlands Prime launched two projects namely: Phase 2 of Woodridge Place, a mid rise condominium project with a total of 88 units; and Sierra Lago, a subdivision project with 187 lots.

Belle Bay City Corporation ("BBCC"), incorporated in 1996, is a 35%-owned affiliate of Belle. BBCC was incorporated with originally about 19 hectares (gross) of reclaimed land located along Roxas Boulevard in Parañaque, part of which had been earmarked for future development into "Belle Bay Plaza", a mixed-use complex. Due to the Asian Financial Crisis and related economic reasons, the shareholders of BBCC decided to dissolve BBCC and distribute the property among the shareholders as a return of their investments. In January 2005, the Securities and Exchange Commission and the Bureau of Internal Revenue approved the dissolution of BBCC. Subdivision of the property is ongoing, with Belle expected to receive approximately 5 hectares of the property upon the dissolution of BBCC. The said property will be the future site of the integrated resort complex of PremiumLeisure & Amusement Inc. named the "Belle Grande Manila Bay".

Metro Manila Turf Club, Inc. ("MMTC"), incorporated in 1993, has a congressional franchise for horseracing, which was granted in 1995, and is still in its pre-operating stage. Belle and Sinophil owned a combined 100% of MMTC as of December 31, 2007. As of December 31, 2009, Belle and Sinophil had sold a combined 87.5% of MMTC for to a group of investors who are working towards the activation of MMTC's congressional horse racing franchise and seeking financing for the construction of a race track. Belle's ownership interest in MMTC was 8.75% as of December 31, 2010. Prior to 2006, MMTC had approximately 121 hectares of land in Tanauan, Batangas, which was originally intended as the site for a racetrack (the "Land"). However, the construction activity on the racetrack never commenced, and MMTC returned the Land pro-rata to Belle and Sinophil in 2006, as a return of their investments or deposits. Belle and Sinophil plan to use the land for real estate projects in the future. In 2010, the new majority shareholders of MMTC unveiled a plan to build a racetrack on another tract of land in Batangas, with construction to commence during the first half of 2011. This race track is targeted for launch in the first quarter of 2012.

Pacific Online Systems Corporation ("Pacific Online"), incorporated in 1993, leases on-line betting equipment to the Philippine Charity Sweepstakes Office (PCSO) for their lottery operations in the Visayas and Mindanao. Pacific Online has been consistently profitable since its fiscal year 2002. Pacific Online listed its shares on the Philippine Stock Exchange with a successful initial public offering on April 12, 2007. A total of 39.8 million shares were offered to the public at P8.88 per share. Because of high demand for Pacific Online shares, it opened in the market at P13.25 per share on the listing date. Belle owned 35% of Pacific Online as of December 31, 2010.

Investment agreement on PremiumLeisure & Amusement, Inc. ("PLAI")

On November 10, 2009, Belle and SM Commercial Properties, Inc. (SMCPI) entered into a Memorandum of Agreement (MOA) for the acquisition by Belle of all the outstanding capital stock of PLAI from SMCPI in exchange for the 2.7 billion new common shares of Belle, to be issued out of its existing authorized but unissued shares of 7.6 billion.

PLAI is a grantee by the Philippine Amusement and Gaming Corporation (PAGCOR) of a Certificate of Affiliation and Provisional License (the "License") to operate integrated resorts, including casinos, in the vicinity of the Bagong Nayong Pilipino Manila Bay Entertainment City and the Newport City Integrated Resort. PLAI's License runs concurrent with PAGCOR's Congressional Franchise, which expires in 2033.

In consideration of the License, the SM Consortium, of which PLAI is a member, had committed to PAGCOR that the Consortium shall invest US\$1.0 billion (the "Investment Commitment"), or the equivalent of ₱46.0 billion at the exchange rate fixed with PAGCOR, over twenty-three years, comprised of the value of land used for the projects and the construction costs of various facilities and infrastructure within the site of the project, provided that 40% of the Investment Commitment is spent within two years from the date of approval of the License. With respect to the ₱46.0 billion Investment Commitment of the SM Consortium, PLAI will assume and undertake about 30% of the Investment Commitment, in the amount of ₱14.0 billion over twenty-three years, of which 40% or ₱5.6 billion of said amount will be spent through 2012. Belle and PLAI do not expect any problem in meeting its share of the investment commitment, with capital expenditures on the project (including the value of its land deployed for the project) estimated to exceed ₱5.6 billion by 2012.

On October 6, 2010, the transfer and valuation of Belle and PLAI shares was approved by the SEC. However, the approval of the Certificate Authorizing Registration (CAR) from the Bureau of Internal Revenue (BIR), which is the final step before the transfer is executed, has yet to be approved pending the resolution of the SM Consortium with certain issues with the BIR.

On January 14, 2011, the Operating Agreement between PLAI and AB Leisure Global, Inc. (ABLGI), a 100% subsidiary of Leisure and Resorts World Corporation (LRWC), whereby ABLGI shall operate PLAI's casino with the help of a management partner and the Lease Agreements between Belle and LRWC/ABLGI for the land and building owned by Belle which will be used for the casino operations and to be leased to LRWC/ABLGI, have both been signed.

Bankruptcy, Receivership or Similar Proceedings

None for any of the companies above.

Material Reclassification, Merger, Consolidation or Purchase or Sale of a Significant Amount of Assets (Not Ordinary)

None for any of the companies above.

Products

Belle is principally engaged in real estate development, particularly the development of golf courses, country clubs, residential properties and related facilities. Aside from its property development business, Belle is indirectly engaged in gaming-related activities through its investments in various subsidiaries and affiliates.

The Company's other subsidiaries/affiliates in real estate development are:

1. Highlands Prime, Incorporated ("Highlands Prime"), whose properties are located around the vicinity of Tagaytay Highlands and Tagaytay Midlands in Tagaytay City and Batangas.
2. Belle Bay City Corporation ("BBCC"), whose major project is the development of a mixed-use complex (the "Belle Bay City") on its 19-hectare reclaimed property located along Roxas Boulevard in the City of Manila. In January 2005, the Securities and Exchange Commission and the Bureau of Internal Revenue approved the eventual dissolution of BBCC, which is presently still in process.

Belle also has investments in companies engaged in gaming and gaming-related activities. In the Philippines, the gaming industry is largely untapped by other companies in the private sector, creating opportunities for experienced leisure operators. Belle's gaming businesses are undertaken, or will be undertaken, mainly by the following subsidiaries/affiliates:

1. Metro Manila Turf Club, Incorporated ("MMTC"), through its congressional franchise to engage in horse racing related gaming activities, and /or build and operate a racetrack.
2. Pacific Online Systems Corporation ("Pacific Online"), an affiliate of Belle that leases on-line betting equipment to the Philippine Charity Sweepstakes Office ("PCSO") for their lottery operations in the Visayas and Mindanao regions.
3. PremiumLeisure & Amusement, Inc. ("PLAI"), which Belle has agreed to acquire from SM Commercial Properties, Inc. (SMCPI) in exchange for 2.7 billion new common shares of Belle, to be issued out of its existing authorized but unissued shares of 7.6 billion. PLAI is a grantee by Philippine Amusement and Gaming Corporation (PAGCOR) of a Certificate of Affiliations and Provisional Licenses (the "License") to operate integrated resorts, including casinos, in the vicinity of the Bagong Nayong Pilipino Manila Bay Entertainment City and the New Port City Integrated Resort. The License runs concurrent with PAGCOR's Congressional Franchise, which expires in 2033.

Revenues

The following are the major revenue items in 2010 and 2009:

| Description | 2010 | | 2009 | |
|--------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| | Amount (in millions) | % to Total Revenue | Amount (in millions) | % to Total Revenue |
| Sale of real estate and club shares | P 1,164.0 | 81.7% | P 1,259.8 | 82.7% |
| Interest and investment income | 3.6 | 0.3% | 2.8 | 0.2% |
| Equity in net earnings of associates | 156.2 | 11.0% | 117.9 | 7.7% |
| Other Revenues and Income | 99.1 | 7.0% | 143.3 | 9.4% |
| | P 1,422.9 | 100.0% | P 1,523.8 | 100.0% |

Distribution Methods of Products

Belle's high-end real estate products are sold principally to the A and B property market segments. The Company has its own in-house staff responsible for marketing and sales of the Company's products, as well as after-sales service. The Company also accredits and taps the services of external brokers to complement its in-house marketing and sales teams. In 2005, Belle started to actively sell its products to wealthy Filipinos abroad through its accredited overseas brokers. Today, approximately 20% of total sales have been sold overseas.

Status of Projects

In 2010, revenues from operations came mainly from sales of Lakeside Fairways lots, sales of club shares, sales of Saratoga Hills properties namely The Parks Saratoga Hills, The Verandas at Saratoga Hills and Fairfield, and sales of farm lots in Plantation Hills.

The Belle View:

This project was completed and fully sold in 1998.

The Woodlands:

Belle started the delivery of units to homeowners in 1998. The project was completed in 1999.

Alta Mira:

The project was completed in 2000.

Fairfield:

As of December 31, 2010, Fairfield was 90% complete. The project was launched in October 2009.

Nob Hill:

As of December 31, 2010, Nob Hill was 24% complete. The project was launched in April 2010.

Lakeview Heights:

The project was completed in 2002.

Lakeside Fairways:

As of December 31, 2010, the first four phases (Kew Gardens, Terrazas de Alava, Lakeside Enclave and Tivoli Place) of the project were approximately 98% completed, while the fifth and sixth and phases (Cotswold and Katsura) were both 90% completed. Yume, the addition to Belle's Japanese themed Katsura line launched in April 2010, was 8% complete as of December 31, 2010.

Plantation Hills:

Only a few remaining lots in The Sanctuary, The Ridge, The Heights (Phases 1, 2 and 5 of Plantation Hills, respectively) were unsold, and construction of these phases was 100% complete, as of December 31, 2007. Plantation Hills is a farm lots subdivision.

The Parks at Saratoga Hills:

The Parks at Saratoga Hills ("The Parks"), located in Tanauan, Batangas, was launched in 2005. As of December 31, 2007, land development for The Parks was fully completed. The Parks is a house-and-lot subdivision.

The Verandas at Saratoga Hills:

The Verandas at Saratoga Hills ("The Verandas"), located in Tanauan, Batangas beside The Parks, was launched in 2006. It was fully completed as of December 31, 2007. The Verandas is a lots-only subdivision project.

Tagaytay Midlands:

The golf clubhouse and 18-hole golf course is fully operational.

The Spa and Lodge:

The Spa and Lodge was completed in 2001. The Spa and Lodge structure is a hotel-like facility that boasts 25 five-star suites and spa facilities.

Tagaytay Highlands Country Club:

The project was completed in 1996.

Gaming:

MMTC is currently developing its 14 hectare race track which is targeted for launch on the first quarter of 2012. Pacific Online has been profitable since 2002, and listed its shares on the Philippine Stock Exchange on April 12, 2007.

Competition

Property development has been Belle's historical core business area. Belle believes that, at present, there is no other company in the Philippines that has successfully launched large-scale, self-contained and community-type leisure properties such as the developments around Tagaytay Highlands and Tagaytay Midlands.

In general, Belle competes somewhat with developers such as Ayala Land, Landco, Fil-Estate, and Brittany Corporation, with respect to its residential and subdivision projects. Some of these developers, like Ayala Land, are bigger in size than Belle. Nevertheless, Belle is able to effectively compete with the above companies primarily on the basis of product quality, reliability to deliver the projects as promised, project location, and high-end property development expertise. Furthermore, Belle has a market base of more than 6,000 wealthy individuals who are existing members of Tagaytay Highlands, Tagaytay Highlands Country Club, and Tagaytay Midlands, which provides a marketing advantage over other developers.

Suppliers

The Company has a broad base of local and foreign suppliers.

Customers

Belle's market base includes wealthy local and foreign individual and institutional clients. The Company has historically sold its real estate projects (residential units) to its golf or country club members.

Transactions with and/or Dependence on Related Parties

Please refer to Item 12 of this report ("Certain Relationships and Related Transactions")

Licenses

Please refer to last section of Item 1 ("Government Regulations")

Government Approvals/Regulations

As part of its normal course of operation, the Company secures government approvals such as the Environment Compliance Certificate, Development Permits, DAR Clearances, and Licenses to Sell, etc.

Effect of Existing or Probable Government Regulations on the Business

Belle has complied with all the government requirements necessary for its operations.

The implementation of the 12% R-VAT on real estate sales in February 2006 had very little impact on the salability of Belle's real estate products since it caters principally to the A and B market segments. Likewise, the implementation of a 35% income tax rate on corporations effective November 2005 and until December 2008 did not significantly hamper Belle's liquidity and profitability, since the Company has ample tax credits which it can offset against future income tax liability. The reduction of income tax to 30% in 2009 somewhat contributed positively to Belle's net income for the year.

Future government regulations are perceived to have no material impact to the normal operations of the Company.

Amount Spent on Research and Development Activities and Compliance with Environmental Laws

Consultancy fees, engineering and architectural design, surveying, ECC, permits and licenses, etc. are being added to the cost of the project. Generally, these costs represent about 4% of gross revenues.

No. of Employees

As of December 31, 2010, Belle had 154 employees, all of whom were full-time employees. Belle employees are not subject to Collective Bargaining Agreements. Belle's management had generally not encountered any significant difficulties with its labor force, and no major strikes had been staged in the past.

The following are the breakdown of Belle employees according to type:

| | |
|-------------------------------|------------|
| Officers | 14 |
| Managers | 23 |
| Supervisors and Rank and File | <u>116</u> |
| Total | <u>153</u> |

Aside from the basic salary and 13th month pay, other supplemental benefits or incentives that are being provided by Belle to its employees include: service car for executives, medical and dental benefits, life and accident insurance, medical allowance and various loan facilities, among others.

Risks

Some of the risks that the Company and its related subsidiaries and affiliates may be exposed to are the following:

Economic and Political Conditions

The Company's business is mainly the development and sale of high-end leisure properties in the Philippines which is generally influenced by the Philippine political and macroeconomic climate. Events and conditions that may negatively impact the Philippine economy as a whole may also adversely affect the Company's ability to sell its real estate projects.

Competition

The degree of competition in the property industry varies considerably by sector and geography. In general, Belle may compete with other developers for purchases of land, as well as clientele for its residential and club projects. However, the Company believes that other major property companies do not generally pursue leisure property development as a core business area.

Changes in Local and International Interest Rates

Belle's local and foreign-denominated borrowings may be adversely affected by drastic increases in interest rates.

Changes in the Value of the Peso

Depreciation of the Peso will negatively affect Belle's foreign-denominated borrowings, as well as the cost of some of the goods that Belle imports as part of its ordinary course of business.

Contractors and Suppliers

As is the case with most property development companies, there is a risk that contractual arrangements with contractors may not meet the Company's performance standards. To serve as safeguards to these eventualities, therefore, performance bonds are normally required for these contractors.

Government Regulations

Belle's property development business is subject to certain laws and regulations of various branches of the government, such as the local governments, the Department of Environment and Natural Resources ("DENR") and the Housing and Land Use Regulatory Board ("HLURB"). Belle has complied with the licensing and regulatory requirements necessary for its operations.

Belle's gaming businesses are also subject to certain laws and regulations. Belle's involvement in the lottery run by the PCSO is via its ownership in Pacific Online, which holds an equipment lease agreement with the PCSO for the operation of on-line lottery system in the Visayas-Mindanao regions. For horse-racing and the operation of off-track betting stations, MMTC (a subsidiary of Belle in 1995, and owned 8.75% as of December 31, 2009), was granted a franchise in 1995 by the Philippine Congress to construct, operate and maintain a horse racetrack and to establish branches thereof for booking purposes, and hold or conduct horse races with betting, on the results of the races either directly or by means of any mechanical, electrical or computerized system. In 2009, Belle agreed to acquire from SMCPI a PAGCOR License to operate integrated resorts, including casinos, through PLAI, which will become a wholly-owned subsidiary of Belle after the transaction is executed.

Changes to the Philippine Laws and Regulations

Although laws and regulations are enacted for the common benefit, changes to these laws and regulations may create negative effects to the operating and financial condition of Belle including its subsidiaries and affiliates.

In order to mitigate the risks mentioned above, the Company will continue to exercise fiscal prudence and adopt what it considers conservative financial and operational controls.

Working Capital

Belle finances its working capital requirements through a combination of internally-generated funds, pre-selling, borrowing and discounting of receivables.

Item 2. Properties

Belle owns undeveloped properties, mostly in Batangas, for future development into residential properties, recreational clubs, and leisure estates for sale. Belle has complete ownership over these real estate properties classified under "Land and Developments" in its books. As of December 31, 2010, there are outstanding deposits for land purchases classified under "Other Assets". A small portion of these properties have either liens, encumbrances, or mortgaged to banks as security for term loans.

In 2001, Belle transferred approximately 534 hectares of undeveloped land, mostly in Tagaytay City, into Highlands Prime. Highlands Prime was initially a wholly-owned subsidiary of Belle, and became a 36%-owned affiliate after its initial public offering in 2002. These will mostly be developed as high-end condominiums or residential subdivisions by Highlands Prime.

BBCC, a 35% affiliate of Belle, is the owner of reclaimed land (originally about 19 hectares in gross area) located along Roxas Boulevard in Parañaque, which property had been earmarked for future development into “Belle Bay City”, a mixed-use complex. Due to the Asian Financial Crisis and related economic problems, the shareholders of BBCC decided to dissolve BBCC and subdivide the property among the shareholders. In January 2005, the Securities and Exchange Commission and Bureau of Internal Revenue approved the dissolution of Belle Bay City. The dissolution of BBCC is currently ongoing, with Belle expected to receive approximately 5 hectares of the property upon dissolution. The said property will be the future location of Belle Grande Manila Bay, an integrated resort project of PLAI.

The Company does not have any significant lease obligations. The Company engages in land banking activities in its target market of Tagaytay and Batangas as its resources and the real estate market allow. However, at present, there is no transaction involving a major acquisition of property that is known or anticipated to occur over the next 12 months.

Item 3. Legal Proceedings

The Company and its major subsidiaries and affiliates are not involved in any material legal proceedings, and that their properties are not subject to any material legal proceedings, that could potentially affect their operations and financial capabilities.

Item 4. Submission of Matters to a Vote of Security Holders

Except for the matters taken up during the Annual Stockholders’ Meeting, there was no other matter submitted to a vote of security holders during the period covered by this report.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

(1) Market Information

The principal market where the registrant's common equity is traded is the Philippine Stock Exchange (“PSE”).

The high and low sales prices for each quarter within the last two fiscal years of the registrant's common shares, as quoted on the PSE, are as follows:

Stock Prices

| | High | Low |
|----------------|------|------|
| 2010 | | |
| First Quarter | 1.84 | 1.34 |
| Second Quarter | 2.06 | 1.74 |
| Third Quarter | 2.61 | 1.78 |
| Fourth Quarter | 4.84 | 2.27 |
| 2009 | | |
| First Quarter | 0.70 | 0.53 |
| Second Quarter | 0.85 | 0.65 |
| Third Quarter | 1.66 | 0.74 |
| Fourth Quarter | 1.50 | 1.26 |

As of December 31, 2010, Belle's market capitalization amounted to P29.2 billion based on the closing price of P4.60 per share. Likewise, Belle's market capitalization as of February 17, 2011 amounted to P32.4 billion based on the closing price of P5.10 per share.

(2) Security Holders

Belle Corporation had 2,204 shareholders as of December 31, 2010. Common shares outstanding as of December 31, 2010 totaled 6,350,899,542. The top 20 stockholders as of December 31, 2010, with their corresponding shareholdings and percentage thereof to total shares outstanding, are:

| | Name | No. of Shares Held | % to Total |
|----|--|-----------------------|------------|
| 1 | . PCD Nominee Corporation (Filipino) | 2,246,629,837 | 35.38% |
| 2 | . Sysmart Corporation | 1,266,889,521 | 19.95% |
| 3 | . PCD Nominee Corporation (Non Filipino) | 801,090,469 | 12.61% |
| 4 | . SM Commercial Properties, Inc. | 685,951,000 | 10.80% |
| 5 | . SM Development Corporation | 572,291,503 | 9.01% |
| 6 | . Sybase Equity Investment Corporation | 261,950,000 | 4.12% |
| 7 | . Eastern Securities Development Corporation | 138,087,031 | 2.17% |
| 8 | . Ng, Jacinto C. Jr. | 116,452,000 | 1.83% |
| 9 | . Ng, Jacinto L. Sr. | 76,145,000 | 1.20% |
| 10 | . Ocier, Willy N. | 26,982,166 | 0.42% |
| 11 | . Ng, Jacinto Jr. &/or Anita C. Ng | 15,680,000 | 0.25% |
| 12 | . Lim Siew Kim | 6,200,000 | 0.10% |
| 13 | . Dynaland Properties and Developers, Incorporated | 5,000,000 | 0.08% |
| 14 | . Safeco Holdings, Incorporated | 4,000,000 | 0.06% |
| 15 | . Gabaldon, William T. | 3,127,000 | 0.05% |
| 16 | . Cu, Oscar S. ITF Anthony Cu | 2,950,000 | 0.05% |
| 17 | . Duca, Elpidio T. | 2,759,999 | 0.04% |
| 18 | . Bulchand, Bebu | 2,702,000 | 0.04% |
| 19 | . TDG Retirement Fund | 2,536,800 | 0.04% |
| 20 | . Crownstone Resources, Inc. | 2,240,000 | 0.04% |

(3) Dividends

No dividends on common stock were declared in 2010 and 2009. There is no restriction that limits or would likely limit Belle's ability to pay dividends.

(4) Recent Sales of Unregistered Securities

The Company did not sell or issue securities within the past 3 years which were not registered under the Code.

Item 6. Management Discussion and Analysis of Operating Performance and Financial Condition

2010 Compared to 2009

Belle Corporation (“Belle” or the “Company”) realized consolidated net income of P465.5 million for the year ended December 31, 2010. This is P79.7 million (21%) higher than the consolidated net income of P385.8 million for the year ended December 31, 2009. Moreover, the Company’s consistent and substantial profitability has allowed it to post positive consolidated retained earnings of P137.7 million as of December 31, 2010. The Company’s consolidated retained earnings became positive for the first time since 1998, wiping out a consolidated deficit that peaked at P5.8 billion as of December 31, 2001.

Gross revenue for 2010 of P1,263.1 million was lower by P140.1 million (10%), compared to P1,403.2 million during 2009. Net revenues of P1,249.1 million was also lower by P43.4 (3%), compared to P1,292.5 million in 2009. In spite of the lower revenues, gross profit as of December 2010 of P740.1 million was higher than gross profit as of December 2009 of P726.2 million by P13.9 million (2%), due to higher gross profit margin during 2010 of 59%, compared to 56% in 2009. This is due to the greater proportion in the 2010 revenue mix of Cotswold, which had a project gross margin of 62% and comprised 25% of 2010 gross revenues (compared to 10% of gross revenues in 2009) and Fairfield, which had a project gross margin of 65% and comprised 11% of 2010 gross revenues (compared to 3% in 2009). In contrast, a combined 27% of gross revenues in 2009 were comprised of Lakeside Fairways Phases 1- 5 (with an average project gross margin of 49% and a proportion to gross revenues of 12%) and Katsura (with a project gross margin of 50% and a proportion to gross revenues of 15%).

Total operating expenses including depreciation and amortization were virtually unchanged at P174.0 million in 2010 from P173.8 million in 2009. Based on the preceding, the Company realized operating income in 2010 of P566.1 million, which was P13.7 million (2%) higher than the operating income level of P552.4 million in 2009.

The Company’s equitized net earnings from associated companies increased by P38.3 million (32%) to P156.2 million in 2010, from P117.9 million in 2009. Equitized earnings were mainly from its 36%-owned associate, Highlands Prime, Inc. (HPI), from its 35%-owned associate, Pacific Online Systems Corporation (Pacific Online). HPI is also engaged in real estate development within the Tagaytay Highlands and Midlands complexes, while Pacific Online leases on-line equipment to the Philippine Charity Sweepstakes Office for their lottery operations in the Visayas and Mindanao. Interest expense decreased by P15.7 million (8%), to P191.4 million, from P207.1 million in 2009. With the appreciation of the Philippine Peso against the US Dollar to P43.84:US\$1.00 as of December 31, 2010, from P46.20:US\$1.00 as of December 31, 2009, the Company posted a P51.5 million foreign exchange translation gain in 2010 from its US\$22 million US Dollar-denominated debt, compared to a foreign exchange translation gain of P28.9 million in 2009.

Total assets of the Company increased by P554.6 million (6%), to P10,528.1 million as of December 31, 2010, from P9,973.5 million as of December 31, 2009, due to the increases of the value of investments and fixed assets. Cash and cash equivalents decreased by P45.3 million (52%), to P41.1 million from P86.4 million in 2009. Receivables decreased by P108.6 million (9%), to P1,116.4 million in 2010 from P1,225.0 million in 2009. Real estate for sale increased by P77.0 million (3%), to P3,012.9 million in 2010 from P2,935.9 million in 2009, due to the development of raw lands for various projects. Club shares held by the Company, valued at historical cost, increased by P22.3 million (1%), to P2,816.4 million in 2010 from P2,794.1 million in 2009. Investments and advances increased by P109.4 million (5%), to P2,514.6 million in 2010 from P2,405.2 million in 2009, due mainly to equity in net earnings of associates for the year. Investment properties under construction and property and equipment increased by P500.3 million (292%), from P171.4 million as of December 31, 2009 to P671.7 million as of December 31, 2010, due mainly to the construction cost of the “Belle Grande Manila Bay”, an integrated resort complex located along Roxas Boulevard in Parañaque City. Other assets remain virtually the same at P355.0 million as of December 31, 2010 and 2009.

Total liabilities increased by P76.2 million (2%) to P4,349.8 million as of December 31, 2010, from P4,273.6 million as of December 31, 2009. Total debt amounting to P2,708.1 million were comprised mostly of Peso loans from various local financial institutions, with interest at an approximate range of 7.0% to 7.5% per annum, with the total of such Peso loans amounting to P1,743.1 million, and which are predominantly secured. Foreign-currency denominated debt (Floating Rate Notes), with a Peso equivalent amounting to P965.0 million as of December 31, 2010, comprise the balance of Belle's total debt. The Floating Rate Notes have a principal amount of US\$22 million due on May 10, 2014 and carry interest at 2% per annum above the six-month LIBOR. Total debt increased by P145.3 million (6%), from P2,562.8 million in 2009 to P2,708.1 million in 2010. The increase was due mainly to the availment of new peso loans. Accounts payable and other liabilities decreased by P83.6 million (5%), to P1,558.3 million in 2010 compared to P1,641.9 million in 2009. Comprising accounts payable and other liabilities are principally trade payables of P558.9 million, advances from related parties of P212.7 million, accrued expenses of P421.4 million, non-trade payables of P307.0 million, customers' deposits of P47.0 million and pension liability of P11.3 million. Deferred tax amounted to P78.3 million and P50.8 million in 2010 and 2009, respectively. Accounts receivable assigned with recourse decreased by P11.4 million (69%) from P16.4 million in 2009, to P5.0 million in 2010, due to debt servicing to a bank in 2010.

The Company's equity as of December 31, 2010 of P6,178.3 million was higher by P478.4 million (8%) compared to the year-end 2009 level of P5,699.9 million, due mainly to the net income recorded for 2010. Due to its consistent profitability since 2002, the Company attained consolidated retained earnings of P137.7 million as of December 31, 2010, compared to a consolidated deficit of P327.8 million as of December 31, 2009.

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

| | | Dec 31, 2010 (audited) | Dec 31, 2009 (audited) |
|--------------------------|--|---------------------------|---------------------------|
| Debt-to-equity ratio | Interest-bearing debt over stockholders' equity | 0.44 : 1.00 | 0.45 : 1.00 |
| Net debt-to-equity ratio | Interest-bearing debt less cash and cash equivalents over stockholders' equity | 0.43 : 1.00 | 0.43 : 1.00 |
| Return on assets | Net income over average total assets during the period | 4.5% | 3.9% |
| Return on equity | Net income over average stockholders' equity during the period | 7.8% | 7.0% |

The Company does not foresee any cash flow or liquidity problems over the next twelve months. The P1,743.1 million of debt obligations classified as loans payable have historically been mostly renewed or rolled-over, with Belle paying only interest. Belle has also a number of revenue-generating real estate projects in the pipeline to enhance cash flow. The Company is in compliance with all of its debt obligations.

As of December 31, 2010, 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:

- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Company;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Company's short-term or long-term liquidity;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- Significant elements of income or loss that did not arise from the Company's continuing operations;
- Seasonal aspects that had a material impact on the Company's results of operations; and

- Material changes in the financial statements of the Company from the year ended December 31, 2009 to December 31, 2010.

2009 Compared to 2008

Belle realized consolidated net income of P385.8 million for the fiscal year ended December 31, 2009. This is P180.0 million (87%) higher than the consolidated net income of P205.8 million for the fiscal year ended December 31, 2008.

Gross revenue for 2009 of P1,403.2 million was higher by P53.9 million (4%), compared to P1,349.3 million during 2008. The Company's gross profit increased by P60.2 million (9%), to P726.2 million, from P666.0 million in 2008, due to higher revenue in 2009. Total operating expenses including depreciation and amortization increased by P8.7 million (5%), to P173.8 million, from P165.1 million in 2008, mainly due to increased project activities. Based on the preceding, the Company realized operating income in 2009 of P552.4 million, which was P51.5 million (10%) higher than the operating income level of P500.9 million in 2008.

The Company's equitized net earnings from associated companies increased by P36.6 million (45%) to P117.9 million in 2009, from P81.3 million in 2008. Equitized earnings were mainly from its 36%-owned associate, Highlands Prime, Inc. (HPI), from its 35%-owned associate, Pacific Online Systems Corporation (Pacific Online). HPI is also engaged in real estate development within the Tagaytay Highlands and Midlands complexes, while Pacific Online leases on-line equipment to the Philippine Charity Sweepstakes Office for their lottery operations in the Visayas and Mindanao. Interest expense increased by P0.5 million (0.2%), to P207.1 million, from P206.6 million in 2008, due mainly to slightly higher interest rates. With the appreciation of the Philippine Peso against the US Dollar to P46.20:US\$1.00 as of December 31, 2009, from P47.52:US\$1.00 as of December 31, 2008, the Company posted a P28.9 million foreign exchange translation gain in 2009 from its US\$22 million US Dollar-denominated debt, compared to a foreign exchange translation loss of P135.4 million in 2008.

Total assets of the Company increased by P60.9 million (0.6%), to P9,973.5 million as of December 31, 2009, from P9,912.6 million as of December 31, 2008. Cash and cash equivalents increased by P25.2 million (41%), to P86.4 million from P61.2 million in 2008. Receivables increased by P411.4 million (46%), to P1,300.7 million in 2009 from P889.3 million in 2008 due mainly to additional receivables from the Company's increased sales of real estate projects. Condominium units and residential lots decreased by P165.8 million (21%), to P625.7 million in 2009 from P791.5 million in 2008, due mainly to higher sales. Club shares held by the Company, valued at historical cost, decreased by P232.0 million (8%), to P2,794.1 million in 2009 from P3,026.1 million in 2008, due to sales of Tagaytay Midlands Golf Club and Tagaytay Highlands Country Club shares in 2009. Land and development increased by P2.3 million (0.1%), to P2,310.2 million in 2009 from P2,307.9 million in 2008, due to the development of raw lands for various projects. Investments and advances decreased by P16.2 million (0.7%), to P2,399.0 million in 2009 from P2,415.2 million in 2008, due mainly to equity in net earnings of associates for the year. Property and equipment increased by P52.1 million (44%), from P119.3 million as of December 31, 2008 to P171.4 million as of December 31, 2009, due mainly to the capitalization of the main water and power distribution lines. Other assets decreased by P16.0 million (5%), to P286.1 million as of December 31, 2009, from P302.1 million as of December 31, 2008, due mainly to the use of creditable withholding tax to pay the Company's income tax obligations.

Total liabilities decreased by P303.2 million (7%) to P4,273.6 million as of December 31, 2009, from P4,576.8 million as of December 31, 2008. Total bank debt amounting to P2,564.5 million were comprised mostly of Peso loans from various local financial institutions, with interest at an approximate range of 7.5% to 8.0% per annum, with the total of such Peso loans amounting to P1,547.5 million, and which are predominantly secured. Foreign-currency denominated debt (Floating Rate Notes), with a Peso equivalent amounting to P1,016.9 million as of December 31, 2009, comprise the balance of Belle's total bank debt. The Floating Rate Notes have a principal amount of US\$22 million due on May 10, 2014 and carry interest at 2% per annum above the six-month LIBOR. Total debt decreased by P33.7 million (1%),

from P2,598.2 million in 2008 to P2,564.5 million in 2009. The decrease was due mainly to the appreciation in the peso equivalent of Belle's Floating Rate Notes, as the Peso appreciated against the U.S. Dollar from P47.52:US\$1.00 as of December 31, 2008 to P46.20:US\$1.00 as of December 31, 2009. Accounts payable and other liabilities decreased by P238.5 million (13%), to P1,641.9 million in 2009 compared to P1,880.4 million in 2008. Comprising accounts payable and other liabilities are principally trade payables of P616.4 million, advances from related parties of P227.2 million, accrued expenses of P504.0 million, and non-trade payables of P280.2 million and pension liability of P14.1 million. Deferred tax amounted to P50.8 million and P57.5 million in 2009 and 2008, respectively. Accounts receivable assigned with recourse decreased by P24.3 million (60%) from P40.7 million in 2008, to P16.4 million in 2009, due to payment to a bank in 2009.

The Company's stockholders' equity as of December 31, 2009 of P5,699.9 million was higher by P364.1 million (7%) compared to the year-end 2008 level of P5,335.8 million, due mainly to the net income recorded for 2009.

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

| | | Dec 31, 2009 (audited) | Dec 31, 2008 (audited) |
|--------------------------|--|---------------------------|---------------------------|
| Debt-to-equity ratio | Interest-bearing debt over stockholders' equity | 0.45 : 1.00 | 0.49 : 1.00 |
| Net debt-to-equity ratio | Interest-bearing debt less cash and cash equivalents over stockholders' equity | 0.43 : 1.00 | 0.48 : 1.00 |
| Return on assets | Net income over average total assets during the period | 3.9% | 2.1% |
| Return on equity | Net income over average stockholders' equity during the period | 7% | 3.9% |

The Company does not foresee any cash flow or liquidity problems over the next twelve months. The P1,545.8 million of debt obligations classified as loans payable have historically been mostly renewed or rolled-over, with Belle paying only interest. Belle has also a number of revenue-generating real estate projects in the pipeline to enhance cash flow. The Company is in compliance with all of its debt obligations.

As of December 31, 2009, 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:

- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Company;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Company's short-term or long-term liquidity;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- Significant elements of income or loss that did not arise from the Company's continuing operations;
- Seasonal aspects that had a material impact on the Company's results of operations; and
- Material changes in the financial statements of the Company from the year ended December 31, 2008 to December 31, 2009.

2011 Plan of Operations

As of December 31, 2010, construction on the first six phases of Lakeside Fairways and on the second eighteen holes of the Tagaytay Midlands golf course were on-going, and are expected to continue in 2011. Belle will also continue with construction of houses in The Parks at Saratoga Hills, and will work towards the completion of land development for Fairfield, in 2011. Construction of the two new projects, namely Yume and Nob Hill commenced in 2010 and shall be in full swing in 2011.

During 2007, Belle launched four upscale residential subdivisions adjacent to the Tagaytay Midlands golf course, which comprised the initial phases of the Lakeside Fairways project. These subdivisions, named Kew Gardens, Terrazas de Alava, Lakeside Enclave and Tivoli Place, are located alongside 9 new holes being built for the Tagaytay Midlands golf course, which will augment the existing 18-hole golf course therein. During 2008 and 2009, Belle launched the sixth and seventh phases of Lakeside Fairways, named Cotswold and Katsura, respectively. Construction of Cotswold and Katsura will also continue in 2011.

Belle is set to launch at least three new projects in 2011. The first is the eighth phase of Lakeside Fairways, a lot-only subdivision project. Second would be the condotel on top of the podium of Belle Grande Manila Bay, currently being constructed along Roxas Boulevard and Macapagal Avenue. Third would be the second phase of Nob Hill.

On the gaming side, existing investments will continue to be managed at MMTC and Pacific Online. During 2008 and 2009, Belle and Sinophil sold 87.5% of their investments in MMTC to an investor group, with their ownership being reduced thereby to 8.75% and 3.75% for Belle and Sinophil, respectively. Prior to 2006, MMTC had approximately 121 hectares of land in Tanauan, Batangas, which was originally intended as the site for a racetrack (the "Land"). However, there has been no construction activity on the Land and MMTC returned the Land pro-rata to Belle and Sinophil, as a return of their investments or deposits during 2006. Belle and Sinophil plan to use the land for real estate projects in the future.

As of December 31, 2010, construction of the Belle Grande Manila Bay is in full swing. The targeted soft opening of the Belle Grande is on the fourth quarter of 2011. It is estimated that construction of the entire complex (including the hotel, condotel and theater components) will take approximately 2-3 years.

ANNEX TO MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) SECTION

Events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of obligation

None. The Company does not foresee any events that may trigger material financial obligation to the Company, including default or acceleration of an obligation.

All material off-balance sheet transactions, arrangement, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period

None. There were no material off-balance sheet transactions, arrangement, obligations, and other relationships of the Company with unconsolidated entities or other persons that the Company is aware of during the reporting period.

Item 7. Financial Statements

The audited consolidated Financial Statements and Supplementary Schedules as of and for the year ended December 31, 2010 listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this Form 17-A. Supplementary information are as follows:

Balance Sheet

Cash and Cash Equivalents (in millions)

As of December 31, 2010, the Company has P41.05 million in cash on hand and in bank.

Accounts Receivable

- As of December 31, 2010, the Company's level of doubtful accounts was not material. The Company reserves the right to cancel the sale, retain ownership of the property and forfeit any amount already received if a buyer defaults payment of the amounts due.
- Receivables are mostly due and collectible within the Company's normal operating cycle.

Real Estate for Sale

There were no unusual purchase commitments covering these accounts.

Property and Equipment

There was neither commitment nor a pre-determined program for acquisition of Property and Equipment. Additions were based on the operational needs of the Company and were evaluated based on certain cost and benefit considerations.

Accounts Payable and Accrued Expenses

There were no secured liabilities and no liabilities guaranteed by others.

Subscriptions Payable

Payment of Subscriptions Payable is upon call by the investees.

Income Statement

Breakdown of certain accounts are as follows:

Gross revenues and operating costs are as follows (in P millions):

| | | |
|--|-------------|--------------|
| Revenues from sale of real estate | 873.3 | |
| Revenues from sale of club shares | 290.7 | |
| Other revenues | <u>99.1</u> | 1,263.1 |
| Less: Cost of real estate and club share sales | 509.0 | |
| Selling Expenses | 14.0 | |
| Salaries, Wages and employee benefits | 63.5 | |
| Depreciation and amortization | 21.2 | |
| Administrative and other expenses | <u>89.3</u> | <u>697.0</u> |
| Operating Income | | <u>566.1</u> |

Interest and Other Investment Income: In 2010, this account consisted mainly of interest income of P3.6 million.

Item 8. Changes in and Disagreement with Accountants on Accounting and Financial Disclosure

No principal accountant or independent accountants of the registrant has resigned, was dismissed or has ceased to perform services during the two (2) most recent fiscal years or any subsequent interim period.

There have been no disagreements with any accountant or any matter of accounting principles or practices, financial statement disclosure or auditing scope of procedure.

PART III CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Registrant

(1) Directors and Executive Officers

The names and ages of all the incumbent Directors, elected on May 14, 2010 during the Annual Stockholders' Meeting and are to serve for a term of one (1) year until their successors shall have been duly elected and qualified, and the Executive Officers are:

Directors:

| Name | Citizenship | Age (As of 12.31.2010) | Position | Period Served |
|------------------------------|--------------------|----------------------------------|----------------------------|----------------------|
| 1. Benito Tan Guat | Filipino | 80 | Chairman | 06/24/99 – present |
| 2. Willy N. Ocier | Filipino | 55 | Vice-Chairman | 06/24/99 – present |
| 3. Elizabeth Anne C. Uychaco | Filipino | 55 | Vice-Chairman | 12/23/09 – present |
| 4. Rogelio R. Cabuñag | Filipino | 62 | Director/Officer-In-Charge | 08/07/00 – present |
| 5. Emilio De Quiros, Jr. | Filipino | 62 | Director | 10/28/10 – present |
| 6. Gregorio U. Kilayko | Filipino | 56 | Director (Independent) | 02/05/03 – present |
| 7. Jacinto C. Ng, Jr. | Filipino | 41 | Director | 08/07/00 – present |
| 8. Jose T. Sio | Filipino | 71 | Director | 12/23/09 – present |
| 9. Washington Z. SyCip | American | 89 | Director (Independent) | 05/20/96 – present |
| 10. Virginia A. Yap | Filipino | 59 | Director | 07/30/10 – present |
| 11. Cesar E. A. Virata | Filipino | 80 | Director (Independent) | 05/20/96 – present |

Executive Officers:

| Name | Citizenship | Age | Position |
|---------------------------|--------------------|------------|-------------------------------|
| Manuel A. Gana | Filipino | 53 | EVP & Chief Financial Officer |
| Joselito R. Consunji | Filipino | 47 | EVP & Chief Operating Officer |
| Rudy P. Aninipot | Filipino | 54 | VP Property Management |
| Melvin U. Cadampog | Filipino | 37 | VP Corporate Planning |
| Ma. Cristina G. Fernandez | Filipino | 48 | VP Sales |
| Michelle T. Hernandez | Filipino | 39 | VP Marketing |
| Margaret Y. Hernando | Filipino | 53 | VP Finance |

| | | | |
|-------------------|----------|----|--|
| Nancy O. Hui | Filipino | 52 | VP & Executive Assistant to the Chairman |
| Marilyn G. Rico | Filipino | 50 | VP Internal Audit |
| Rogelio I. Robang | Filipino | 50 | VP Project Management & External Affairs |
| A. Bayani K. Tan | Filipino | 54 | Corporate Secretary |
| Amelita B. Vanta | Filipino | 45 | VP Accounting |

BOARD OF DIRECTORS

The information on the business affiliations and experiences of the following directors and officers are current and/or within the past five years.

Benito Tan Guat

Mr. Tan Guat is the Chairman of the Company. Currently, he is the Chairman and President of Eastern Securities Development Corporation, and the President of Guatson International Travel and Tours.

Willy N. Ocier

Mr. Ocier is one of the Vice Chairmen of the Company, and is currently the Chairman of Sinophil Corporation and APC Group, Incorporated. He is also one of the Vice Chairmen of Highlands Prime, Incorporated. He is also the Chairman of Tagaytay Midlands Golf Club, Inc.; Vice Chairman of Tagaytay Highlands International Golf Club, Inc; and the Chairman and President of Pacific Online Systems Corporation. Previously, he was the President and the Chief Operating Officer of Eastern Securities Development Corporation.

Elizabeth Anne C. Uychaco

Ms. Uychaco is one of the Vice-Chairmen of the Company. She is the Senior Vice President, Corporate Services of SM Investments Corporation. She was formerly Senior Vice President and Chief Marketing Officer of the Philippine American Life Insurance Company. She was also Board Director of the Philamlife Call Center. Prior to that, she was Vice-President of Globe Telecom, Inc. and was responsible for National and International Sales and Distribution as well as Retail Marketing and Management of the Globe Business Centers. She was previously President of Fontana Properties and Executive Vice President of Fontana Resort and Leisure Club. She was Director of Kuok Properties and served as consultant of Shangrila Mall and was seconded as CEO to manage EPRC, a Kuok joint venture company. She also served as Board Director, Vice President and Managing Director of Transnational Diversified Group. Ms. Uychaco graduated from St. Scholastica's College in 1978 with Bachelor of Arts Degree. She obtained a Master's Degree in Business Economics from the University of Asia and Pacific in 1988, and a Master's Degree in Business Administration from the Ateneo Business School in 1992.

Rogelio R. Cabuñag

Mr. Cabuñag is the Officer-In-Charge and a Director of the Company. He is also the President of SM Development Corporation; Director and Executive Vice President of SM Synergy Properties Holdings Corporation; and a Director of the following companies; Highlands Prime Inc., Keppel Phils. Holdings, Inc. and Tagaytay Highlands International Golf Club, Inc. Prior to joining the SM Group, he held key executive positions in other financial institutions.

Emilio De Quiros, Jr.

Mr. Emilio De Quiros, Jr. serves as a Director of the Company since September 21, 2010. He is currently the President and Chief Executive Officer of the Social Security System. He is also a Director of UnionBank of the Philippines and BPI Investment Management Inc. He served as Executive Vice President of Bank of the Philippine Islands since May 2004, and President of Ayala Life Insurance Inc., Ayala Plans Inc. and BPI Bancassurance, Inc. He was also a director of ALFM Dollar Bond Fund, Inc.,

ALFM Euro Bond Fund, Inc., and Philippine Stock Index Fund Corp., and Treasurer of Far East Bank and Trust Company. Mr. De Quiros graduated from Ateneo de Naga with a Bachelor of Arts in Economics degree (Cum Laude), and is a holder of the Master of Arts in Economics from University of the Philippines and a Ph.D in Economics from University of the Philippines.

Gregorio U. Kilayko

Mr. Kilayko is an Independent Director of the Company. He is presently a Director of The Royal Bank of Scotland. He was founding head of ING Barings' stockbrokerage and investment banking business in the Philippines, and a Philippine Stock Exchange Governor in 1996 and 2000. Mr. Kilayko holds a Master of Business Administration degree from the Wharton School of the University of Pennsylvania.

Jacinto C. Ng, Jr.

Mr. Ng is a Director of the Company and currently a Director and Treasurer of both Republic Biscuit Corporation and Suncrest Foods, Incorporated. Mr. Ng is also a Director of the following companies: Asia United Insurance Corporation, Extraordinary Development Corporation, Highlands Prime, Inc., Manila Bay Development Corporation, Earth+Style Corporation and Quantuvis Resources Corporation.

Jose T. Sio

Mr. Sio is the Executive Vice President and Chief Finance Officer of SM Investments Corporation. He is also a Director of China Banking Corporation, Generali Pilipinas Holding Company, Inc., Manila North Tollways Corporation, SM Keppel Land, Inc., as well as other companies within the SM Group of Companies. Mr. Sio is also an adviser to the Board of Directors of Banco de Oro Unibank, Inc. Mr. Sio holds a master's degree in Business Administration from New York University, is a Certified Public Accountant, and was formerly a Senior Partner at Sycip Gorres Velayo & Co. (a member practice of Ernst & Young). He was recently awarded as the 2009 CFO of the year by ING Bank N.V. (Manila) and Financial Executives Institute of the Philippines (FINEX). He has been with the SM Group of Companies for the last 19 years.

Washington Z. SyCip

Mr. SyCip is an Independent Director of the Company. He is the founder of The SGV Group, an auditing and management consulting group with operations throughout East Asia. He is the Chairman Emeritus of the Board of Trustees and Board of Governors of the Asian Institute of Management; a Member of the Board of Overseers of Columbia University Graduate School of Business, New York; the Honorary Chairman of Euro-Asia Centre, INSEAD, Fontainebleau, France since 1989; a Member of the International Advisory Board, Council on Foreign Relations, New York; and an Honorary Life Trustee of the Asia Society, New York. Additionally, he is a Member of the International Advisory Board of the American International Group in New York. Mr. SyCip is a Director of a number of major corporations in the Philippines and other parts of the world.

Cesar E. A. Virata

Mr. Virata is an Independent Director of the Company. He is the President and Principal Consultant of C. Virata & Associates, Inc., Management Consultants. He is currently the Vice Chairman of Rizal Commercial Banking Corporation (RCBC); and Director of RCBC subsidiaries and some affiliates. He is also an Independent Director of Benpres Holdings Corporation, City & Land Development Corporation and Business World. Mr. Virata was formerly the Minister of Finance and Prime Minister of the Philippines.

Virginia A. Yap

Ms. Virginia A. Yap is a Director of the Company. She is also a member of the Company's Executive and Nomination Committees. Ms. Yap holds key positions in the SM Group of Companies including being

Treasurer of SM Development Corporation, and Vice President – Office of the Chairman of the Board of Directors of SM Investments Corporation, SM Land, Inc. (formerly Shoemart, Inc.) and SM Retail Inc. She is also the Treasurer of Highlands Prime Inc. since August 22, 2002, a member of the Board of Directors since January 25, 2010, and a member of Executive, Compensation and Remuneration, and Audit Committees of Highlands Prime Inc. She holds a Bachelor of Science in Commerce (Major in Accounting) degree from the University of Mindanao. She has been connected with the SM Group of Companies for the last twenty-five years.

EXECUTIVE OFFICERS

Manuel A. Gana

Mr. Gana is the Executive Vice President and Chief Financial Officer of the Company. He is also the President of Sinophil Corporation. He joined Belle in 1997 as Vice President for Corporate Development and Special Projects, during which time he was also assigned as the Vice President-Finance and Chief Financial Officer for MagiNet Corporation, which was then a subsidiary of Sinophil Corporation (an affiliate of Belle). He is a Director of APC Group, Inc., Pacific Online Systems Corporation, Sinophil Corporation, Tagaytay Highlands International Golf Club, Inc. and Woodland Development Corporation. Previously, he was Director of Investment Banking at Nesbitt Burns Securities Inc. in New York. He also previously worked for Bank of Montreal and Merrill Lynch Capital Markets (both in New York), and for Procter & Gamble Philippine Manufacturing Corporation. Mr. Gana holds a Master of Business Administration degree from the Wharton School of the University of Pennsylvania, and degrees in Accounting and Economics from De La Salle University. He is a Certified Public Accountant.

Joselito R. Consunji

Mr. Consunji is the Executive Vice President and Chief Operating Officer of the Company. Before joining Belle, Mr. Consunji was the General Manager of both Alsons Land Corporation and LIMA Land, Inc., responsible in the overall strategies and development directions of both companies. He also held key positions in various companies, including Lorenzo Shipping Corporation, Luisita Realty Corporation and the Department of Tourism (Region IV). Mr. Consunji is a graduate of San Beda College with a Bachelor of Arts degree, with major in Economics and minor in Mathematics (cum laude), and valedictorian of the collegiate class of 1983.

Rudy P. Aninipot

Mr. Aninipot is the Vice President for Property Management and responsible for the efficient and effective operation and maintenance of buildings, infrastructures and facilities in Tagaytay Highlands, Tagaytay Midlands and The Greenlands. He joined Belle in 1995 as Assistant Vice President for Engineering. Prior to joining Belle, Mr. Aninipot held key positions in Shangri-La's EDSA Plaza Hotel, Mandarin Oriental and San Miguel Corporation. He also had previous work experience in the Middle East (Saudi Arabia and Yemen). A professional electrical engineer, Mr. Aninipot holds a degree in Electrical Engineering from the Mapua Institute of Technology.

Melvin U. Cadampog

Mr. Cadampog is the Vice President for Corporate Planning. As Head of Corporate Planning, he handles management reports, budgets and financial forecasts. He is also involved with corporate finance activities of the Company. Prior to joining Belle in 1998, Mr. Cadampog was a Financial Analyst under the corporate finance group of PricewaterhouseCoopers. He holds a Bachelor of Business Economics degree from Charles Sturt University in Australia.

Ma. Cristina G. Fernandez

Ms. Fernandez is the Vice President and Head of the Sales Division. Prior to joining Belle, she held

various positions in the following companies: Republic City Club and Club Corporation of America, Megaworld Land, Inc. and New World Hotel. She is a Director of Art Informal, a center for Art Education and Exhibitions. Ms. Fernandez graduated from Ateneo de Manila University with a degree in Communication Arts.

Michelle T. Hernandez

Michelle Angeli T. Hernandez is the Vice President for Marketing. She is responsible in promoting the Company's projects, and ensuring that the Company's property/membership share buyers are provided excellent after-sales service. She has a bachelor's degree in Tourism (cum laude) from the University of Sto. Tomas. Before joining the Company, she worked in Thomas Cook Philippines, Inc., a member of Metrobank's Group of Companies.

Margaret Y. Hernando

Ms. Hernando is the Vice President for Finance. She is also the Vice President and Chief Financial Officer of Sinophil Corporation. As head of the Treasury department, she is primarily responsible in managing and sourcing out funds for the Company. Before joining Belle, Ms. Hernando held key positions in Dominion Asian Equities, Inc., Middle East Financial Group S.A. (Hong Kong), and National Development Company. She was also a Management Services Associate at Sycip Gorres Velayo & Co. Ms. Hernando holds a degree in Mathematics (magna cum laude) from De La Salle University, and also holds a Masters in Business Administration degree from the University of the Philippines.

Nancy O. Hui

Ms. Hui is the Executive Assistant to the Chairman and concurrently in-charge of the Logistics and Purchasing Division of the Company. Before joining the Company, Ms. Hui was the Managing Director of Guatson International Travel and Tours. An advocate for environmental concerns, Ms. Hui has a bachelor's degree in Biology and a degree in veterinary medicine from the University of the Philippines.

Marilyn G. Rico

Ms. Rico is the Vice President for Internal Audit. Her main responsibility is to provide an independent and objective assurance designed to improve the Company's operations. Prior to joining Belle, Ms. Rico headed the internal audit group of AB Capital Group of Companies. She has extensive audit exposures in investment banking, financing/leasing, stock brokering and transfer office. Ms. Rico is a Certified Public Accountant.

Rogelio I. Robang

Mr. Robang is the Vice President for Project Management and External Affairs and currently the President of both APC Mining Corporation and Aragorn Coal Resources Incorporated. A BS Geodetic Engineering graduate, with studies in Civil Engineering, from the University of the Philippines, he joined the Company as the Assistant Project Director for the Tagaytay Highlands Golf Club project and also supervised the construction of the Tagaytay Midlands project. He also served as Technical Assistant to the President, and, subsequently, to the Vice Chairman. Prior to joining Belle, Mr. Robang was the Manager for Mining Tenements at Surigao Consolidated Mining Company. Mr. Robang, a board topnotcher, also holds a Master in Business Administration degree from De La Salle University.

Amelita B. Vanta

Ms. Vanta is the Vice President for Accounting. Prior to joining Belle, she was a Project Controller in Van Oord Gulf FZE, Dubai. She also previously worked for Philippine American Life and General Insurance Co., Lafarge Cement Services Phils., Inc., William, Gothong & Aboitiz, Inc., and Punongbayan & Araullo. Ms. Vanta is a Certified Public Accountant.

A. Bayani K. Tan

Mr. Tan is the Corporate Secretary of the Company. He is currently a Director, Corporate Secretary or both of the following listed/reporting companies: Vantage Equities, Inc., Sinophil Corporation, Pacific Online Systems Corporation, I-Remit, Inc., TKC Steel Corporation, First Abacus Financial Holdings Corporation, Sterling Bank of Asia, Inc., Tagaytay Highlands International Golf Club Inc., The Country Club at Tagaytay Highlands, Inc., Tagaytay Midlands Golf Club Inc., The Spa and Lodge at Tagaytay Highlands, Inc., Destiny Financial Plans, Inc., Philequity Fund Inc., Philequity Peso Bond Fund, Inc., Philequity PSE Index Fund, Inc., and Philequity Dollar Income Fund, Inc. He is the Managing Partner of Tan Venturanza Valdez and also a Director, Corporate Secretary, or both, of private companies such as Highlands Gourmet Specialist Corp., City Cane Corporation, Club Asia, Inc., Destiny Lend Fund, Inc. E-Business Services, Inc., FHE Properties, Inc., Hella-Phil, Inc., Goodyear Steel Pipe Corporation, Discovery Country Suites, Inc., The Discovery Leisure Company, Inc., JTKC Equities, Inc., Star Equities Inc., Oakridge Properties, Inc., Winsteel Manufacturing Corporation, Winstone Industrial Corporation, Monte Oro Resources and Energy, Inc., Monte Oro Grid Resources Corporation, Yehey! Corporation, and Yehey Money, Inc. He is a member of the Philippine Bar and holds a Master of Laws Degree from the New York University School of Law (1988), Bachelor of Laws Degree from the University of the Philippines (1980), and a Bachelor of Arts from San Beda College (1976).

(2) Significant Employees

There are no other significant employees.

(3) Family Relationships

Mr. Benito Tan Guat, Chairman, Mr. Willy N. Ocier, Vice Chairman, and Ms. Nancy O. Hui are related to the first degree of consanguinity.

(4) Involvement in Certain Legal Proceedings

As a result of the delay in the delivery of the facilities of the Universal Leisure Club, Inc. (ULC), some of its members have initiated legal actions against ULC, the Universal Rightfield Property Holdings, Inc. (URPHI) and the Universal Leisure Corp. (ULCorp), as well as their respective incumbent and former officers and directors, including their former Corporate Secretary, A. Bayani K. Tan. The cases filed include:

- i. Civil actions for breach of contract and/or of contract, specific performance, quieting of title and reimbursement, damages with request for receivership and preliminary attachment (Civil Case Nos. MC03-075, MC03-077, and MC04-082) before the RTC of Mandaluyong City, which case have been settled and the RTC Mandaluyong has on 08 February 2006, promulgated a Joint Decision approving the Settlement Agreement, Supplemental Agreement, and Second Supplemental Agreement re:Civil Case Nos. MC03-077 and MC04-082. RTC Mandaluyong noting the settlement of Civil Case Nos. MC03-077 and MC04-082 has likewise issued an Order dated 18 May 2006 re: Civil Case No. MC-075 holding that the aforementioned settlement agreement likewise puts an end to Civil Case No. MC03-075, as it involves substantially similar factual antecedents, and holding further that the complaint and counterclaims of the parties are withdrawn with prejudice.
- ii. A Complaint for Estafa (docketed as I.S. No. 08-K-19713) filed before the City Prosecutor of Manila. A Counter-Affidavit has already been filed before the City Prosecutor seeking to dismiss the Complaint for lack of cause of action.

Except as provided above, the Company is not aware of any of the following events wherein any of its directors, nominees for election as director, executive officers, underwriter or control person were involved during the past five (5) years:

- (a) any bankruptcy petition filed by or against any business of which any of the above persons was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- (b) any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any of the above persons in any type of business, securities, commodities or banking activities; and,
- (c) any finding by a domestic or foreign court of competent jurisdiction (in civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self regulatory organization, that any of the above persons has violated a securities or commodities law, and the judgment has not been reversed, suspended or vacated.

Item 10. Executive Compensation

Summary Compensation Table (Annual Compensation)

| Name and Principal Position | Year | Salary | Benefits | Other Annual Compensation |
|---|------|--------|----------|---------------------------|
| Willy N. Ocier Vice Chairman | | | | |
| Rogelio R. Cabuñag Officer-In-Charge | | | | |
| Manuel A. Gana Executive Vice President and Chief Financial Officer | | | | |
| Joselito R. Consunji Executive Vice President and Chief Operating Officer | | | | |
| Rudy P. Aninipot Vice President for Property Management | | | | |
| Melvin U. Cadampog Vice President for Corporate Planning | | | | |
| Ma. Cristina G. Fernandez Vice President for Sales | | | | |
| Michelle T. Hernandez Vice President for Marketing | | | | |
| Margaret Y. Hernando Vice President for Finance | | | | |

Nancy O. Hui
Vice President and Executive Assistant to
The Chairman

Marilyn G. Rico
Vice President for Internal Audit

Rogelio I. Robang
Vice President for Project Management
and External Affairs

Amelita B. Vanta
Vice President for Accounting

| | | | | |
|---|-------------------|------------|-----------|-----------|
| Total for the group | 2011 ¹ | 22,731,705 | 2,722,322 | |
| | 2010 | 20,665,186 | 2,474,838 | |
| | 2009 | 16,329,541 | 1,948,860 | |
| | 2008 | 17,628,078 | 1,469,007 | |
| All directors as a group unnamed | 2011 ¹ | n.a. | n.a. | |
| | 2010 | n.a. | n.a. | 2,190,294 |
| | 2009 | n.a. | n.a. | 1,991,176 |
| | 2008 | n.a. | n.a. | 1,036,680 |
| All officers and directors as a group unnamed | 2011 ¹ | 24,115,490 | 2,837,637 | |
| | 2010 | 21,923,173 | 2,579,670 | 2,190,294 |
| | 2009 | 20,388,841 | 2,377,763 | 1,991,176 |
| | 2008 | 21,071,494 | 1,719,461 | 1,036,680 |

¹ 2011 figures are estimates only.

Compensation of Directors

All directors get a per diem of P 10,000.00 each per meeting.

As of December 31, 2010, there were no outstanding warrants or options held by any of the Company's directors and officers.

Employment Contracts and Termination of Employment and Change-in-Control Arrangements

There was no compensatory plan or arrangement with respect to named executive officers that resulted or will result from the resignation, retirement or termination of such executive officer or from a change-in-control in the Company.

Warrants and Options Outstanding

Warrants

On March 31, 1997, the Securities and Exchange Commission approved the issuance of 626,522,879 detachable subscription warrants, free of charge, on the basis of one warrant for every five common shares held as of record date. The warrants are exercisable at a date not earlier than one year but not

later than three years after issue date, and the holder thereof has the right to subscribe to one common share for each warrant held an exercise price of P8.50 per share, as may be adjusted to reflect potential change in the capital structure of the Company. As of the date of the expiration, October 6, 2000, 100 warrants were exercised. There were no outstanding warrants as of December 31, 2010.

Options

There are no option grants outstanding as of December 31, 2010.

Pursuant to Section 5.2 of the Amended Stock Option Plan, the number of shares granted under the Plan shall be correspondingly adjusted in the event of any merger, consolidation, reorganization, recapitalization, reclassification of stock, stock dividends, splits, rights, or any other change in the corporate structure or capitalization of the Company's common stock as presently constituted.

Independent Public Accountants

SyCip Gorres Velayo & Co. ("SGV"), the Company's external auditors for 2009-2010 will be recommended for re-appointment as such for the current year. Representatives of SGV are expected to be present at the Annual Meeting to respond to appropriate questions and will be given the opportunity to make a statement if they so desire.

Over the past five (5) years, there was no event where SGV and the Company had any disagreement with regard to any matter relating to accounting principles or practices, disclosure of financial statements or auditing scope or procedure.

In Compliance with the SEC Memorandum Circular No. 8 Series of 2003, Mr. Jose Joel M. Sebastian was assigned in 2002 as SGV's engagement partner for the Company to replace Ms. Betty C. Siy. Mr. Sebastian's five-year assignment has ended after the 2006-2007 audit engagement. Mr. Juanito A. Fullecido was assigned in 2007 as SGV's engagement partner for the Company to replace Mr. Jose Joel M. Sebastian. Mr. Fullecido's assignment has ended after 2009-2010 audit engagement. SGV appointed Mr. Roel E. Lucas as the engagement partner for the Company starting 2010.

The Company and its subsidiaries paid SGV P0.87 million for external audit services for 2010, and P1.52 million for 2009.

For each of the last 2 fiscal years, SGV did not render services for tax accounting, planning, compliance, advice, or any other professional services for which it billed the Company the corresponding professional fees.

The Audit Committee recommends to the Board of Directors the appointment of the external auditors. The Board of Directors and the stockholders approve the Audit Committee's recommendation. The Executive Committee approves the audit fees as recommended by the Management Committee.

Compensation Plans

The Company will not be taking any action as regards its existing Stock Option Plan.

Item 11. Security Ownership of Certain Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners

The following persons or group are known to the Company as directly or indirectly the record or beneficial owners of more than five percent (5%) of the Company's voting securities as of 31 December 2010:

| Title of Class | Name and Address of Record Owner and Relationship with issuer | Name and Address of Beneficial Owner and Relationship with Record Owner | Citizenship | No. of Shares Held | Percent |
|----------------|---|---|--------------|--------------------|---------|
| Common | PCD Nominee Corporation ⁽¹⁾ G/F Makati Stock Exchange, 6767 Ayala Avenue, Makati City | <i>(see footnote)</i> | Filipino | 2,246,629,837 | 35.38 |
| Common | Sysmart Corporation ⁽²⁾ Makati Stock Exchange Bldg., Ayala Avenue, Makati City | Sysmart Corporation | Filipino | 1,266,889,521 | 19.95 |
| Common | PCD Nominee Corporation ⁽¹⁾ G/F Makati Stock Exchange, 6767 Ayala Avenue, Makati City | <i>(see footnote)</i> | Non-Filipino | 801,090,469 | 12.61 |
| Common | SM Commercial Properties, Inc. Makati Stock Exchange Bldg., Ayala Avenue, Makati City | SM Commercial Properties, Inc. | Filipino | 685,951,000 | 10.80 |
| Common | SM Development Corporation ⁽²⁾ Makati Stock Exchange Bldg., Ayala Avenue, Makati City | SM Development Corporation | Filipino | 572,291,503 | 9.01 |

⁽¹⁾ PCD Nominee Corporation ("PCDNC") is a wholly-owned subsidiary of Philippine Central Depository, Inc. ("PCD"). The beneficial owners of such shares registered under the name of PCDNC are PCD's participants who hold the shares in their own behalf or in behalf of their clients. The PCD is prohibited from voting these shares, instead the participants have the power to decide how the PCD shares in Belle are to be voted. The participants of PCD who own more than 5% of the Company's outstanding capital are as follows:

- i. The Hong Kong Shanghai Banking Corporation Limited – Clients' Account – 12.35%
- ii. Social Security System – 7.5%

⁽²⁾ Mr. Henry Sy, Sr. is the single largest shareholder of Sysmart Corporation and SM Development Corporation

The shares held by Sysmart Corporation, SM Development Corporation, Hong Kong Shanghai Banking Corp.-Client's Account, and the Social Security System shall be voted or disposed by the persons who shall be duly authorized by these record or beneficial shareholders for the purpose. The natural person/s

that has/have the power to vote on the shares of the foregoing companies shall be determined upon the submission of its proxy form to the Company, which is not later than 4 days before the date of the meeting.

Apart from the foregoing, there are no other persons holding more than 5% of the Company's outstanding capital stock.

(2) Security Ownership of Management

The following table shows the shares beneficially owned by the directors and executive officers of the Company as of 31 December 2010:

| Title of Class | Name | Amount and nature of beneficial ownership | | Percent of Class |
|----------------|---|---|--------|------------------|
| Common | Benito Tan Guat (Filipino) | 20,000 | Direct | 0.00 |
| Common | Willy N. Ocier (Filipino) | 26,982,166 | Direct | 0.42 |
| Common | Virginia Yap (Filipino) | 1 | Direct | 0.00 |
| Common | Washington Z. Sycip | 200,001 | Direct | 0.00 |
| Common | Gregorio U. Kilayko (Filipino) | 1 | Direct | 0.00 |
| Common | Cesar E. A. Virata (Filipino) | 1 | Direct | 0.00 |
| Common | Emilio De Quiros, Jr. (Filipino) | 1 | Direct | 0.00 |
| Common | Jacinto C. Ng, Jr. (Filipino) | 116,452,000 | Direct | 1.83 |
| Common | Jose T. Sio (Filipino) | 1,000 | Direct | 0.00 |
| Common | Elizabeth Anne C. Uychaco (Filipino) | 1 | Direct | 0.00 |
| Common | Rogelio R. Cabuñag (Filipino) | 11,001 | Direct | 0.00 |
| Common | Manuel A. Gana (Filipino) | 0 | Direct | 0.00 |
| Common | Joselito R. Consunji (Filipino) | 0 | Direct | 0.00 |
| Common | Nancy O. Hui (Filipino) | 1,500,000 | Direct | 0.24 |
| Common | Rudy P. Aninipot (Filipino) | 0 | Direct | 0.00 |
| Common | Ma. Cristina G. Fernandez (Filipino) | 0 | Direct | 0.00 |
| Common | Margaret Y. Hernandez (Filipino) | 0 | Direct | 0.00 |
| Common | Marilyn G. Rico (Filipino) | 0 | Direct | 0.00 |
| Common | Rogelio I. Robang (Filipino) | 20,000 | Direct | 0.00 |
| Common | Melvin U. Cadampog (Filipino) | 0 | Direct | 0.00 |
| Common | Amelita B. Vanta (Filipino) | 0 | Direct | 0.00 |
| Common | Michelle T. Hernandez (Filipino) | 0 | Direct | 0.00 |
| Common | A. Bayani K. Tan (Filipino) | 346,675 | Direct | 0.01 |
| Common | All directors and executive officers as a group | 145,532,848 | | 2.29 |

(3) Voting Trust Holders of 5% or More

There is no party holding any voting trust for 5% or more of Belle's voting securities.

(4) Changes in Control

There is no arrangement which may result in a change in control of Belle.

Item 12. Certain Relationship and Related Transactions

No director or executive officer or any member of their immediate family has, during the last two years, had a direct or indirect, material interest in a transaction or proposed transaction to which the Company was a party.

PART IV - CORPORATE GOVERNANCE

Belle remains focused on insuring the adoption of systems and practices of good corporate governance in enhancing value for its shareholders.

In compliance with the initiative of the Securities and Exchange Commission (“SEC”) under Memorandum Circular No. 2, Series of 2002, Belle, on 30 August 2002, submitted its Corporate Governance Manual (the “Manual”) to the SEC. Even prior to the submission of its Manual, the Company, during its Stockholders’ Meeting on 22 August 2002, created various Board level committees. These committees were comprised of an Executive Committee, a Nomination Committee for selection and evaluation of qualifications of directors and officers, a Compensation and Remuneration Committee to look into an appropriate remuneration system, and an Audit Committee to review financial and accounting matters. A Compliance Officer was also appointed on that date. Members of various committees are expected to serve for a term of one (1) year. On 1 January 2003, the Company formally adopted the Manual. In July 2003, the Company submitted to the SEC its Corporate Governance Self-Rating Form as proof of its compliance with the leading practices and principles on good corporate governance. Appointment of members of various board committees for the period 2010–2011 was held on 14 May 2010 during the Company’s stockholders meeting.

The Board establishes the major goals, policies and objectives of the Company, as well as the means to monitor and evaluate the performance of Management. The Board also ensures that adequate internal control mechanisms are implemented and properly complied in all levels.

The Company is not aware of any non-compliance with its Manual of Corporate Governance, by any of its officers or employees.

PART V - EXHIBITS AND SCHEDULES

Item 13. Exhibits and Reports on SEC Form 17-C

a. Exhibits

The following exhibit is filed as a separate section of this report:

Subsidiaries of the Registrant

The other exhibits are either not applicable to the Registrant or require no answer.

b. Reports on SEC Form 17-C

| DOCUMENT | DATE FILED | ITEM NO. | MATTER |
|---------------------------------------|--------------------|--------------|---|
| SEC Form 17C dated February 24, 2010 | February 24, 2010 | Item 9 | Scheduled date of Annual Stockholders' Meeting |
| SEC Form 17C dated March 25, 2010 | March 25, 2010 | Item 9 | Change schedule of Annual Stockholders' Meeting |
| SEC Form 17C dated May 14, 2010 | May 14, 2010 | Item 4 and 9 | Election of Directors and Officers re 2009 Annual Stockholders' Meeting |
| SEC Form 17C dated July 1, 2010 | July 1, 2010 | Items 4 | Resignation of Mr. Gregory L. Domingo as Board member |
| SEC Form 17C dated July 30, 2010 | July 30, 2010 | Item 4 and 9 | Election of Ms. Virgie A. Yap as new director |
| SEC Form 17C dated August 31, 2010 | September 17, 2009 | Item 4 | Resignation of Mr. Thelmo Y. Cunanan as Board member |
| SEC Form 17C dated September 21, 2010 | September 21, 2010 | Item 4 | Election of Mr. Emilio S. De Quiros as new director |
| SEC Form 17C dated December 1, 2010 | December 1, 2010 | Item 9 | Execution of the P5.6B loan from BDO Unibank, Inc. |

SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Pasig on _____.

By:

Benito Tan Guat

Chairman of the Board

Rogelio R. Cabuñag

Officer-in-Charge

Manuel A. Gana

Executive Vice President and
Chief Financial Officer

A. Bayani K. Tan

Corporate Secretary

SUBSCRIBED AND SWORN to before me this ___th day of _____ 2011 affiants exhibiting to me their Community Tax Certificates, as follows:

| NAME | COMMUNITY TAX CERTIFICATE NO. | DATE OF ISSUE | PLACE OF ISSUE |
|--------------------|------------------------------------|------------------|----------------|
| Benito Tan Guat | CTC# 220-05585 TIN# 101-935-043 | January 21, 2011 | Manila |
| Rogelio R. Cabuñag | CTC# 121-72088 TIN# 103-432-824 | January 21, 2011 | Pasig |
| Manuel A. Gana | CTC# 014-23940 TIN# 906-105-409 | January 18, 2011 | Manila |
| A. Bayani K. Tan | CTC# 01564803 TIN# 102-054-041 | February 3, 2011 | Manila |

BELLE CORPORATION

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

FORM 17-A, Item 7

Consolidated Financial Statements

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| Statement of Management's Responsibility for Financial Statements |) | see attached FS |
| Report of Independent Public Accountants |) | Consolidated Statements |
| Consolidated Balance Sheets as of December 31, 2010 and 2009 |) | |
| of Income for the years ended) |) | |
| December 31, 2010 and 2009 |) | |
| Consolidated Statements of Changes in Stockholder's Equity |) | |
| for the years ended December 31, 2010 and 2009 |) | |
| Consolidated Statements of Cash Flows for the years ended |) | |
| December 31, 2010 and 20089 |) | |
| Notes to Consolidated Financial Statements |) | |

Supplementary Schedules

Report of Independent Public Accountants on Supplementary Schedules

| | |
|---|------------|
| A. Marketable Securities - (Current Marketable Equity Securities and Other Short-Term Cash Investments) | Schedule A |
| B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Affiliates) | Schedule B |
| C. Non-Current Marketable Equity Securities, Other Long-Term Investments, and Other Investments | Schedule C |
| D. Indebtedness to Unconsolidated Subsidiaries and Affiliates | * |
| E. Property, Plant and Equipment | * |
| F. Accumulated Depreciation | * |
| G. Intangible Assets - Other Assets | * |
| H. Long-Term Debt | * |
| I. Indebtedness to Affiliates and Related Parties (Long-Term Loans from Related Companies) | * |
| J. Guarantees of Securities of Other Issuers | * |
| K. Capital Stock | Schedule D |
| L. List of Top 20 Stockholders of Record (See Page 10) | |

*These schedules, which are required by Part IV (e) of RSA Rule 48, have been omitted because they are either not required, not applicable or the information required to be presented is included in the Company's consolidated financial statements or the notes to consolidated financial statements.

INDEX TO EXHIBITS

Form 11-A

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|---|-----------------|
| (3) Plan of Acquisition, Reorganization, Arrangement, Liquidation, or Succession | * |
| (5) Instruments Defining the Rights of Security Holders, Including Indentures | * |
| (8) Voting Trust Agreement | * |
| (9) Material Contracts | * |
| (10) Annual Report to Security Holders, Form 11-Q or Quarterly Report to Security Holders | * |
| (13) Letter re Change in Certifying Accountant | * |
| (16) Report Furnished to Security Holders | * |
| (19) Published Report Regarding Matters Submitted to Vote of Security Holders | * |
| (20) Consent of Experts and Independent Counsel | * |
| (21) Power of Attorney | * |
| (29) Additional Exhibits | * |

*These Exhibits are either not applicable to the Company or require no answer.