

15 February 2017

**Philippine Stock Exchange, Inc.**

3<sup>rd</sup> Floor, Tower One and Exchange Plaza  
Ayala Triangle, Ayala Ave., Makati City  
Attention: Mr. Jose Valeriano B. Zuño III  
                  OIC Head, Disclosure Department

**Philippine Dealing and Exchange Corporation**

37<sup>th</sup> Floor, Tower 1, The Enterprise Center  
6766 Ayala Ave cor. Paseo de Roxas, Makati City  
Attention: Ms. Vina Vanessa S. Salonga  
                  Head, Issuer Compliance and Disclosures Department

**Securities and Exchange Commission**

SEC Building, Mandaluyong City  
Attention: Hon. Vicente Graciano P. Felizmenio, Jr.  
                  Director, Market Regulation Department

Dear Mesdames and Gentlemen,

Please see attached press release on the unaudited financial and operations results of Ayala Land, Inc. as of December 31, 2016.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jaime E. Ysmael', with a long, sweeping flourish extending to the right.

**JAIME E. YSMAEL**  
*Senior Vice President*  
*Chief Finance Officer and*  
*Compliance Officer*



News Release

### **ALI FY16 net income up 19% to P20.9B**

*February 15, 2017* - Ayala Land, Inc. (ALI) continued to make progress on its 2020 growth plan, posting a net income of P20.9 billion in 2016, 19% higher than the previous year. Consolidated revenues reached P124.6 billion, 16% higher year-on-year on the back of the stable growth of its property development business, balanced with the steady performance of its leasing portfolio.

Property development revenues grew 17% to P79.2 billion, driven by the steady traction of its residential and office for sale segments, complemented with commercial and industrial lot sales. Commercial leasing revenues grew 8% to P26.6 billion as its portfolio of malls, offices, and hotels and resorts continue to expand within the Philippines.

According to Bernard Vincent O. Dy, ALI President and CEO, “2016 marked another banner year for Ayala Land. We achieved a higher level of profitability coming from the sustained growth of our estates and core businesses. Further, we executed our investment program to ensure continued growth in the coming years.”

ALI launched P61.5 billion worth of residential and office for sale products in 2016 through its five residential brands such as Ayala Land Premier, Alveo, Avida, Amaia, and BellaVita. Residential sales grew 3% to P108.00 billion.

The company also posted 12% growth in mall revenues to P15.0 billion, given the successful performance of its established malls like Glorietta, Greenbelt, Market!Market!, and Trinoma, as well as the contribution of its new malls such as Solenad and UP Town Center. Office leasing revenues increased by 7% to P5.5 billion due to the increasing contribution of newly opened offices such as UP Town Center BPO and Bonifacio Stopover at Bonifacio Global City (BGC). Meanwhile, hotels and resorts revenues grew slightly higher to P6.1 billion as a result of the sustained performance of its established hotels and resorts, combined with the initial operations of its newly built additional rooms.

At the end of 2016, ALI registered a total of 1.62 million square meters (sqm) of gross leasable space in its malls segment, given the completion of new malls like Ayala Malls Legaspi and Ayala Malls South Park, and the addition of the 55,920-sqm Tutuban Center in Manila as a result of ALI’s acquisition of majority interest in Prime Orion Philippines, Inc. (POPI) in 2016.

Total gross leasable space in its offices segment registered at 835,742 sqm with the addition of newly opened offices in its portfolio. Hotels and resorts posted a total of 2,027 rooms, which include the newly opened Casa Kalaw at Lio in El Nido, Palawan and Balay Kogon in Sicogon, Iloilo.

“We continue to reshape our business to achieve a more sustainable level of growth by rebalancing our leasing and property development businesses,” said Dy. “Last year, we launched a good mix of residential and commercial properties in both our established and emerging estates. In addition, our strategy remains consistent – to build sustainable communities across the country. And with the government’s thrust to increase spending on infrastructure, we also plan to accelerate the development of our estates that are closely linked to these projects.”

In 2016, ALI introduced two key mixed-use developments – One Ayala in Makati Central Business District (CBD) and the 17.5-hectare Gatewalk Central in Mandaue, Cebu, strengthening its track record as the leading developer of sustainable estates, currently with 20 estates in key growth centers in the country. Contributions from ALI’s new and emerging estates in various growth centers in Metro Manila, Visayas, and Mindanao grew from 36% to 40%, on top of revenues earned from thriving developments in Makati, BGC, Nuvali, and Alabang. ALI spent a total of P85.40 billion for project and capital expenditures in 2016.

The company plans to complete seven shopping centers this year with a total gross leasable space of 224,000 sqm. These include the recently opened Ayala Malls The 30<sup>th</sup> in Pasig, as well as Ayala Malls Vertis North in the Quezon City CBD, Ayala Malls Feliz in Cainta, and Ayala Malls One Bonifacio High Street in BGC, among others. It also plans to complete a total of 185,000 sqm of gross leasable office space in locations like Vertis North, Circuit Makati, and The 30<sup>th</sup> in Pasig within the year.

Sustaining its contributions to the tourism sector after launching two new bed and breakfast offerings, namely Casa Kalaw in El Nido, Palawan and Balay Kogon in Sicogon, Iloilo in 2016, ALI will mark the opening of its largest Seda hotel at Vertis North in Quezon City with 438 rooms and its first resort-type hotel, Seda Lio in El Nido, Palawan with 153 rooms in 2017.

As the property market continues to maintain a generally robust outlook, with steady interest rates, flow of OFW remittances driving consumption, and a thriving BPO sector, ALI looks forward to introducing new projects in 2017 to support its growth targets and sustain contributions to the local economy.

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AYALA LAND, INC.

*Ayala Land is the Philippines' leading developer of sustainable estates, offering a diverse mix of properties such as residential, retail, office, hotels, and leisure developments, that support local economic growth and nation-building.*

*The company was established in 1988 as the real estate arm of Ayala Corporation, a pioneer conglomerate and builder of the country's premier financial and commercial district, now known as Makati Central Business District and Ayala Center.*

*Today, Ayala Land has a total of 19 sustainable estates and is present in 55 growth areas nationwide. It has five residential brands, namely Ayala Land Premier, Alveo, Avida, Amaia, and BellaVita, which deliver quality homes to a broad segment of the housing market. Its commercial development and leasing portfolio is comprised of Ayala Malls, Ayala Land Offices, and Ayala Land Hotels and Resorts Corporation.*