

09 August 2016

**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. for the 1<sup>st</sup> half of 2016.

Thank you.

Very truly yours,

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

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



## NEWS RELEASE

### Ayala Land's net profit up 16% to P9.74B in the first half of 2016

*August 9, 2016* – Ayala Land, Inc. (ALI) posted a net income of P9.74 billion in the first six months of 2016, 16% higher compared to last year's P8.39 billion. Consolidated revenues grew by 8% to P54.76 billion from P50.61 billion, which it registered in the same period in 2015. Its core businesses, such as property development, commercial leasing, and services, steadily performed and grew 8% year-on-year to P51.45 billion. This was propelled by the coordinated expansion of its large mixed-use estates in key growth areas nationwide.

“Ayala Land continues to capitalize on the growth in the real estate sector. Our established estates drove our performance, alongside increasing contributions from similar mixed-use developments that we've launched over the last five years. In the first half of 2016, we also introduced new residential products, opened new malls and offices, and broke ground on additional leasable assets in line with our objective of balancing our development and recurring income portfolio,” said Bernard Vincent O. Dy, ALI President and CEO.

The company is currently developing Circuit Makati, Arca South in Taguig, Vertis North and Cloverleaf in Quezon City, Vermosa in Cavite, Altaraza in Bulacan, Alviera in Pampanga, Atria Park District in Iloilo City and Capitol Central in Bacolod City, among others.

In addition to the roster, ALI launched the 17.5-hectare Gatewalk Central in Mandaue City, in the first half of the year. Apart from a range of residential, office and retail options, Gatewalk Central will feature a 30-meter wide, pedestrian-only street that will run through the entire estate, giving it its distinct character.

ALI is also starting to build Ayala Center's P19-billion modern mixed-use and transport-oriented development, which is planned as the future archway of the Makati Central Business District.

According to Dy, development is in full-swing in Ayala Land estates, boosting both its residential and commercial portfolios. Expansion projects were topped-up by new residential and commercial properties that address diverse market demands.

“We are also focusing on sustainability and making sure we have estates that serve not only today's market, but the next generation of consumers as well,” he added.

ALI recently launched residential projects such as Ayala Land Premier's Park Central Towers, Alveo's Callisto, and Avida's One Antonio, all located in Makati City. To boost its leasing

business, it opened Ayala Malls Legazpi in Bicol and a new phase at UP Town Center. The company also completed BPO offices at UP-Ayala Land Technohub and UP Town Center. Within the newly launched Gatewalk Central, ALI will also build a mall with an estimated gross leasable area of 115,000 square meters and a BPO office with an estimated gross leasable area of 20,000 square meters.

The company's hotels and resorts portfolio continues to grow as it builds the Seda hotel brand and enhance its international-branded hotels, and El Nido Resorts. It has 11 projects currently being built in key locations across the country.

Lio, the company's first eco-tourism estate in Palawan, will open its first resort-type Seda hotel in 2017. To further position the Philippines as a premiere tourist destination and drive economic progress in Western Visayas, the company has also began developing its second masterplanned eco-tourism estate in Sicogon Island, Iloilo.

Property development, which includes the sale of residential lots and units, and office spaces, as well as commercial and industrial lots, generated revenues of P33.66 billion in the first six months of 2016, 6% higher than the P31.85 billion reported in the same period in 2015.

Commercial leasing, which covers the operation of shopping centers, offices, and hotels and resorts, recorded total revenues of P12.76 billion, 12% higher than the P11.40 billion posted in the same period in 2015.

The company spent a total of P43.35 billion for project and capital expenditures.

Ayala Land's solid balance sheet position in the first six months of 2016 provides adequate capacity to support its growth plans for 2016 and beyond.

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