SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17(a)-1(b)(3) THEREUNDER

January 3,		liest event reported			
				050 000 152 7	00
SEC Identifi	cation Number		. ^{3.} .	050-000-153-790 BIR Tax Identification Number	
AYALA LA	ND INC				
Exact Name	of registrant as	s specified in its cha	arter		
	TY, PHILIPPINI puntry or other jun		6. [Industry Classi	(SEC Use Only) fication Code
	r One, Ayala Tı orincipal office	riangle, Ayala Ave	nue, Ma	ıkati City	1226 Postal code
848-5313					
Registrant's	telephone num	ber, including area	code		
	ne or former add	dress, if changed si	nce last	report	
Securities re	egistered pursua	ant to Sections 4 ar	nd 8 of t	ne SRC	
As of Septer	mber 30, 2005				
Title of Each		Number of Sha Common Stock Ou 10,788,929,7	ıtstandin	g	f Debt Outstanding 0.92 Billion
dicate the item	numbers report	ed herein :	Ple	ase refer to att	ached letter
P252M Bo	nd Issue				
	the requireme	ents of the Securitie			
		If by the undersigne	ed herei	into duly author	zea.

Date : **January 3, 2006**

(original copy signed)

RENATO O. MARZAN
Assistant Corporate Secretary

SEC Reg. No. 152747 SEC Sec. Code No. E-5000

January 3, 2006

PHILIPPINE STOCK EXCHANGE

4/F PSE Center, Exchange Road Ortigas Center, Pasig City

Attention: Ms. Jurisita M. Quintos

Senior Vice President Disclosure Department

Madam:

This is in response to your letter dated January 2, 2006, requesting for confirmation of the veracity of information contained in the news article entitled "ALI to issue P252-M bonds in January" published in the December 30, 2005 issue of the Manila Bulletin.

We confirm that the statements in the said article are generally correct, subject however to the following clarifications:

- a) The main purpose of the bond issuance is to benefit the low to middle-income market segment, by encouraging sufficient savings to enable them to own real estate property in the future.
- b) The issue date of "January 23, 2006 or such other date as may be agreed by the company and its issue manager and underwriter" as indicated in the Prospectus is an estimated issue date for the first series of the bonds and is subject to change depending on when the Permit to Sell will be obtained from the Securities and Exchange Commission.
- c) Furthermore, the total issue size is P252 million, to be issued in series of P7 million monthly over 36 months. The P242.615 million net proceeds indicated in the Prospectus is an estimate of the net amount that will be generated over the three-year period, net of all related fees.

Thank you.

Very truly yours,

(original copy signed)

RENATO O. MARZANAssistant Corporate Secretary

cc: SECURITIES AND EXCHANGE COMMISSION SEC Building, EDSA, Mandaluyong City

Attention: **Director Justina F. Callangan**Corporation Finance Department