





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

August 12, 2008

**SECURITIES AND EXCHANGE COMMISSION**  
SEC Building, EDSA, Mandaluyong City

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

**PHILIPPINE STOCK EXCHANGE**  
4/F PSE Center, Exchange Road  
Ortigas Center, Pasig City

Attention: **Atty. Pete M. Malabanan**  
Head, Disclosure Department

Dear Sir / Madam:

Please be advised that the Board of Directors of Ayala Land, Inc. ("the Company") approved today, August 12, 2008, the creation of a share buyback program in an amount up to Pesos Three Billion (PhP 3,000,000,000.00) worth of the Company's issued and outstanding common shares. At today's closing market price, this represents approximately 2.1% of the Company's current market capitalization. The Company plans to commence the program on August 13, 2008, and the program will end upon full usage of the approved allotment, or as otherwise may be directed by the Board of Directors, subject to an appropriate disclosure to the SEC and the PSE.

The buyback program is part of the Company's balance sheet management program and aims to (1) improve the Company's balance sheet structure and capital efficiency and (2) enhance shareholder value through the repurchase of shares whenever the stock is trading at a price discount perceived by the Company as not reflective of its fair corporate value.

The program will not involve any active solicitation from existing shareholders and will instead be implemented through open market purchases executed through the electronic trading facilities of the PSE. Appropriate disclosures will be submitted to the SEC and the PSE of every buyback transaction entered into by the Company. Shares bought back by the Company will not be cancelled or retired but will be held as Treasury shares in the Company's books. The program will not affect the Company's ability to fund any of its prospective and existing projects/investments.

The above information is being submitted in compliance with the disclosure rules of the Securities and Exchange Commission and the Philippine Stock Exchange.

Very truly yours,

**JAIME E. YSMAEL**

Senior Vice President, Chief Finance Officer,  
and Compliance Officer