

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

- 1. December 27, 2007
Date of Report (Date of earliest event reported)
- 2. 152747
SEC Identification Number
- 3. 050-000-153-790
BIR Tax Identification Number
- 4. AYALA LAND, INC.
Exact Name of registrant as specified in its charter
- 5. MAKATI CITY, PHILIPPINES
Province, country or other jurisdiction of incorporation
- 6. (SEC Use Only)
Industry Classification Code
- 7. 30/F, Tower One, Ayala Triangle, Ayala Avenue, Makati City
Address of principal office
- 1226
Postal code
- 8. (632) 848-5313
Registrant's telephone number, including area code
- 9. Not Applicable
Former name or former address, if changed since last report
- 10. Securities registered pursuant to Sections 4 and 8 of the SRC

As of September 30, 2007

Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt Outstanding
<u>COMMON SHARES</u>	<u>13,034,603,880</u>	<u>P 10.63 Billion</u>

Indicate the item numbers reported herein : Please refer to attached letter

Re: Clarification on news article regarding Avida Land

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AYALA LAND, INC.

Registrant



ALFONSO JAVIER D. REYES

Deputy Compliance Officer

Date : December 27, 2007

December 27, 2007

PHILIPPINE STOCK EXCHANGE

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

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

Gentlemen,

We are writing in response to your letter dated December 26, 2007 requesting Ayala Land, Inc. to confirm/deny the veracity of the news article entitled "Court orders Ayala Land to pay P140m" published in the December 26, 2007 issue of the Manila Standard Today.

Avida Land Corp. (Avida), a 100%-owned subsidiary of Ayala Land, Inc., has been made aware of press reports that the Regional Trial Court of Quezon City has issued an adverse decision against it in a patent infringement case filed by Edgardo Vazquez and Vazquez Building Systems Inc. We wish to clarify that Avida has not received an official copy of the decision and therefore is not in a position to comment on its contents or merits. However, in relation to the infringement case, Avida has actively defended itself against the claim of infringement because it strongly believes that it did not copy any patent held by Mr. Vazquez.

In constructing its modular housing units, Avida relies on patented technology licensed to it by two foreign entities. The technology offered by U.K.-based Tex Holdings PLC is covered by Philippine Patent No. 30327 issued on March 25, 1997. The "Phenix" system offered by French company Maison Individuelles SA is covered by Philippine Patent No. 29862 issued on August 26, 1996. Both these technologies are also patented abroad. These two systems involve building processes and end products that are different from the housing unit described in Mr. Vazquez's patent.

If Avida confirms that the court's decision is indeed adverse, it intends to pursue all available appellate remedies to protect its rights and interests.

For your information.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'Alfonso Javier D. Reyes', written over a light-colored background.

ALFONSO JAVIER D. REYES
Deputy Compliance Officer

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