

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. March 8, 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. [REDACTED] (SEC Use Only) Industry Classification Code
7. 29/F, Tower One, Ayala Triangle, Ayala Avenue, Makati City Address of principal office 1226 Postal code
8. 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, 2006**

Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt Outstanding
<u>COMMON SHARES</u>	<u>10,843,218,447</u>	<u>P 13.5 Billion</u>

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

**Re: Joint Venture Agreement with Kingdom Hotel Investments**

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

Date : March 8, 2007

(original copy signed)  
JAIME E. YSMAEL  
SVP, CFO, & Compliance Officer

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

March 8, 2007

**PHILIPPINE STOCK EXCHANGE**

Attention: **Atty. Pete M. Malabanan**  
Head, Disclosure Department  
4/F PSE Center, Exchange Road  
Ortigas Center, Pasig City

Dear Atty. Malabanan,

This has reference to PSE's letter dated March 8, 2007, requesting additional information on the Agreement between Ayala Land, Inc. (ALI) and Kingdom Hotel Investments (KHI) for the joint development of a Luxury Hotel Complex.

Please be advised that the proposed joint venture project will enable ALI to capitalize on the growing demand for luxury accommodation in the region, and in the Philippines, in particular, given increased investor and business confidence in the country.

The proposed luxury hotel complex is a key component of the Ayala Center redevelopment. The redevelopment will significantly enhance the value of Ayala Center.

In order to implement the development, we plan to establish an operating company, to be owned 20% by ALI and 80% by KHI, through a wholly-owned subsidiary. The operating company will develop, construct, fit-out, and operate the Hotels. In addition to this, we also plan to establish a landholding company, to be owned 60% by ALI, and 40% by KHI, through a wholly-owned subsidiary. The landholding company will own the 7,377 square meter property and lease the same to the operating company.

We are not in a position to respond to the rest of the queries given that the project will require the execution of implementing agreements.

We regret that we cannot release the agreement(s) as these are covered by confidentiality restrictions. Likewise, since the completion of the transaction requires the fulfillment of certain conditions precedent, it would be premature to make this public.

Very truly yours,

*(original copy signed)*

**JAIME E. YSMAEL**

Senior Vice President, Chief Finance Officer,  
and Compliance Officer

cc:

**SECURITIES AND EXCHANGE COMMISSION**

Attention: **Director Justina F. Callangan**  
Corporation Finance Department  
S.E.C. Building, EDSA  
Mandaluyong City