

December 20, 2006

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: **Ms. Jurisita M. Quintos**
Senior Vice President
Disclosure Department

Dear Mesdames,

Please be advised that Ayala Land, Inc. ("ALI"), together with MLT Investments Ltd. and Filipinas Investments Ltd., signed today an Investors' Agreement to jointly develop a BPO office building in Dela Rosa Street and to purchase the existing PeopleSupport Building, currently fully-owned by ALI.

MLT Investments, Ltd. is an investment arm of Goldman Sachs, a leading global investment banking, securities and investment management firm that provides a wide range of services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high net-worth individuals.

On the other hand, Filipinas Investments Ltd. is an affiliate of Capmark Asia, the Asian operations of Capmark Financial Group Inc., which is headquartered in Horsham, Pennsylvania, U.S.A. Capmark™ is a real estate finance company with three core businesses: lending and mortgage banking, investments and funds management and loan servicing. The Asian operations of Capmark comprises more than 200 employees in seven offices in China, Japan, Philippines, and Taiwan and is actively engaged in the lending, real estate equity investment, special situations investment, primary/master servicing, and special servicing businesses.

With the foregoing investments, ALI and its partners expect to benefit from opportunities arising from the growing demands of the BPO industry in the Philippines. Second to India, the Philippines has established itself as an attractive location for multinational BPO companies. The collaboration of these three companies, with their extensive experience in real estate development and investment management, should provide access to a broad range of opportunities.

For your information.

Very truly yours,

(original copy signed)

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