

SEC Reg. No. 152747
SEC Sec. Code No. E-5000
PSE Sec. Code No. PR-010

January 5, 2005

PHILIPPINE STOCK EXCHANGE

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

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

Gentlemen:

This refers to your letter dated January 4, 2005, requesting for additional information on the collaborative agreements entered into by Ayala Land, Inc. ("ALI" or "the Company") and the Fil-Estate Group (Fil-Estate Properties, Inc. and Fil-Estate Management, Inc. or "Fil-Estate").

Below are the information pertaining to the acquisition by ALI of Fil-Estate's minority interests in the North Triangle Depot Commercial Corporation ("NTDCC"):

- (a) The transaction is a commercial agreement between Fil-Estate and ALI. The Company's acquisition of additional stake in NTDCC is in recognition of the huge potential of the North Triangle commercial center project and is in line with ALI's objective of expanding its leasing portfolio to increase recurring income.
- (b) In acquiring Fil-Estate's 30.89% interest in NTDCC, ALI paid a total consideration of P600.1 million, a portion of which was paid for in shares in two unlisted companies owning developable properties, which shares are valued at approximately P320.1 million.
- (c) ALI's acquisition of Fil-Estate's stake increased the Company's interest in NTDCC from 15.8% to 46.7%.
- (d) The transaction took effect last December 23, 2004.

For your information.

Very truly yours,

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

cc:

SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Mandaluyong City
Attention: **Director Justina F. Callangan**
Corporation & Finance Department