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. **November 10, 2005**
   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. **29/F, Tower One, Ayala Triangle, Ayala Avenue, Makati City** **1226**
   Address of principal office 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, 2005

Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt Outstanding
COMMON SHARES	**10,788,929,754**	**₱ 10.9 Billion**

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

Re: ALI's unaudited consolidated financial results for January-September 2005

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

(original copy signed)

Date : **November 10, 2005**

JAIME E. YSMAEL
Senior Vice President & CFO

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

November 10, 2005

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

Gentlemen:

We submit herewith Ayala Land's unaudited consolidated financial results for the first nine months of 2005.

Results of Operations for the Nine Months Ended September 30, 2005

Ayala Land posted P16.5 billion revenues for the first nine months of 2005, up P4.3 billion or an increase of 35% from 2004, reflecting sustained growth in shopping center operations and residential sales, and the impact of the sale of the Company's interest in preferred redeemable shares of Astoria Investment Ventures, Inc. (AIVI) in the first quarter.

During the third quarter, revenues amounted to P4.7 billion, compared to P4.1 billion in the same period last year, or an increase of 13%.

Net income for the first nine months of 2005 amounted to P2.6 billion, up 46% year-on-year. Of this amount, P789 million was generated in the third quarter, 15% higher than previous year.

"We are seeing steady improvement across all business lines, reflecting our increased efforts to broaden penetration of the market. Our performance year-to-date also reflects our continued disposition of non-core assets, the proceeds of which have been streamed up as dividends, which have served to lighten our asset base and improve our return on capital," said Jaime I. Ayala, Ayala Land President and Chief Executive Officer.

Revenues

Shopping Centers. Shopping center revenues, derived from land and building leases, as well as revenues from shopping center carparks, amounted to P2.8 billion or 17% of total, up 23% from P2.3 billion in the previous year. Growth was mainly due to the full operations of Market! Market! Phase 1A, the opening of SM Expansion, and Ayala Center's higher effective rental rate (given the 5-12% escalation in basic rent). Incremental sales from replacement merchants also increased revenues.

Shopping center revenues held steady during the third quarter compared to the second quarter.

Despite the unabated fuel price increases which affected consumer spending, total mall sales over the nine month period grew by 12% year-on-year, although same-store sales were slightly down 1%. Ayala Center maintained a high occupancy rate of 96% and increased its effective rent for building leases by 7%. Overall mall occupancy rate averaged at 90%, slightly lower than 92% in 2004 due to Market! Market! which is still in its early stage of operations. Excluding Market! Market!, average mall occupancy rate was at 96%, up from 93% in the previous year.

Corporate Business. Corporate business revenues, derived from the lease of traditional and BPO office buildings, as well as industrial lot sales, amounted to P405 million or 3% of total. This amount is slightly up by 3% from P394 million in 2004. The sale of 1,773 sqms of office space at Ayala Life FGU Center Makati in 2004 was offset in 2005 by the 5% increase in average rent of traditional office buildings, start of operations of PeopleSupport Center, and higher sales at Laguna Technopark (31,363 sqms in 2005 versus 24,641 sqms in 2004).

During the third quarter, deals closed with replacement tenants at 6750 and MSE brought average occupancy rate of the Company's traditional office buildings up from 91% as of end-June to 97% as of end-September, higher than Makati CBD's 92% average occupancy rate.

Construction of BPO buildings, consisting of nearly 36,000 sqms leaseable office space, remained on track. PeopleSupport Center started operations in the second quarter. Convergys was completed in October, while the Infonxx Building is scheduled for completion by year-end.

Hotels. Hotel operations contributed P1.3 billion or 8% of total revenues, up 6% from P1.2 billion in the previous year, reflecting higher room rates and revenue per available room across all three hotel/serviced apartment properties. Both Intercon and Cebu Marriott experienced higher occupancy levels. Average occupancy during the first nine months of Intercon was 75% versus 72% in 2004. Cebu Marriott had 86% occupancy, slightly higher than 85% last year. Oakwood's average occupancy of 82% in 2005, while lower compared to 87% in 2004, was well above MCBD's average of 76%.

Residential Developments. Revenues from residential developments across all market segments amounted to P6.4 billion or 39% of total revenues and increased 9% from P5.9 billion in the previous year. This amount includes financing income and the sale of commercial lots and club shares undertaken to complement the residential developments.

Bookings for the first nine months of 2005, exclusive of the share of our partners, totaled over 2,700 units, including 347 Anvaya Beach and Nature Club shares, up 30% year-on-year. For the third quarter, sales bookings amounted to 1,147 units, much higher compared to 702 units in the same quarter of 2004. This excludes parent company Ayala Land's override of residential units arising from owned properties being developed by Community Innovations, Inc. (CII) and Laguna Properties Holdings, Inc. (LPHI), which are included as revenues of the newly created Landbanking business line.

High-end lot sales. Revenues from high end lot sales, including financing income, amounted to P1.8 billion or 11% of consolidated revenues, up 14% from P1.6 billion in the previous year. Revenue increase was due to the launch of Sonera in March and higher bookings at Ayala Greenfield Estates, Ayala Westgrove Heights and Plantazionne Verdana Homes.

A total of 468 lots were booked in the first nine months, up 42% year-on-year, of which 166 were booked in the third Quarter.

High-end unit sales. High end unit sales revenues of P1.7 billion accounted for 10% of total, down 20% from previous year. Unit bookings amounted to 244 units, 15% lower year-on-year due to the timing of project launches. Full sell-out of One Legazpi Park and Ferndale Homes in 2004 was partly offset by bookings at The Residences at Greenbelt – San Lorenzo Tower launched in May and construction accomplishment at Serendra (District 1) and The Residences at Greenbelt – Laguna Tower.

Leisure. The Company's new project, Anvaya Cove, a high-end seaside residential resort community, in Morong, Bataan launched in July, experienced brisk take-up. As of end-September, barely three months from launch, 62% of 138 lots was taken up. The sale of 484 beach and nature club shares exceeded expectations. A 6% increase in share price was effected two months after the launch.

Although 38 lots and 247 shares were booked in the third quarter, revenue contribution of P21 million was still low due to minimal percentage of construction completion.

Middle-income housing. Revenues from middle-income residential projects of CII amounted to P1.5 billion, up 80% from previous year's P858 million and comprised 9% of total. Although bookings of 438 lots/units were lower compared to 457 in the previous year, revenue growth was due to the recognition of prior year's sales given higher completion rate at Serendra (District 2) and The Columns (Towers 2 & 3).

Two projects to be launched in November will significantly build up revenues from this business line. The Columns at Legazpi Village is a two-tower condominium development, consisting of 780 units, located in Legazpi Village, Makati. Celadon Residences, CII's joint venture project with Manila Jockey Club, consists of 202 townhouse units to be developed on the site of the former San Lazaro racetrack.

Mass housing. Bookings of LPHI grew by 16% to 1,192 units/lots. Revenues remained flat at P1.4 billion or 9% of total as a result of an increase in lower-priced units sold and the change to a more conservative booking policy adopted early in the year.

To be launched in December is Avida Towers, the mass housing component of the joint venture with Manila Jockey Club. The project consists of five residential towers with a total of 1,956 units.

Services. Revenues from services amounted to P1.7 billion or 10% of total and grew by 33% year-on-year, principally due to construction.

Construction revenues, primarily from third-party contracts of Makati Development Corporation, amounted to P1.3 billion or 77% of total service revenues and grew by 41% mainly due to higher revenues from equipment rentals, and pipelaying and infrastructure projects.

Property management fees and revenues from waterworks both grew by 11%.

Landbanking. Starting the third quarter, landbanking as a business line will be separately reported to highlight the Company's thrust of realizing value out of its land parcels and deploying its unique capabilities for developing large, mixed-use, masterplanned communities.

Revenues from this business line consist of Ayala Land parent's override or share of sales involving properties made available to LPHI and CII for development, gas station rentals, and carpark revenues outside Ayala Center.

Landbanking contributed P365 million or 2% to consolidated revenues, more than double the previous year's P167 million. Growth was mainly due to more ALI-owned mass housing units sold, as well as higher completion of The Columns and One Aeropolis where ALI has override units.

Interest and Other Income. Interest and other income amounted to P3.5 billion or 21% of total revenues, significantly higher than previous year's level of P939 million primarily due to realized gain from sale of preferred shares of AIVI.

Interest income amounted to P639 million, 3% higher than previous year's P618 million due to higher average cash balance. Equity in net earnings of affiliates was up 7% to P164 million, reflecting strong results of affiliates Alabang Commercial Corporation, Cebu Holdings, Inc., and Emerging City Holdings and Berkshires Holdings (Ayala Land's corporate vehicles for its investment in FBDC).

Expenses
Cost of sales and direct operating expenses totaled P8.4 billion, up 16% year-on-year, at par with growth in operating revenues.

In terms of corporate expenses, general and administrative expenses grew by 19% to P1.6 billion, primarily due to increased payroll given CBA adjustments and subsidiaries' expansion. Interest and other charges amounted to P3.1 billion, more than triple previous year's P970 million, largely due to the P1.86 billion provision for decline in value of assets intended to be sold and write-off of deferred charges.

Net Operating Income (NOI) and NOI Margins
Net operating income amounted to P4.5 billion, 14% higher than the P4.0 billion posted in 2004. Shopping centers contributed 39% or P1.8 billion, while residential developments accounted for P1.6 billion or 34%.

Overall NOI margin was maintained at 35%.

Project and Capital Expenditures
For the first nine months of 2005, consolidated project and capital expenditures amounted to P4.8 billion, about 35% of the P13.6 billion budget for the whole year. About 73% was spent for residential projects including Serendra, The Residences at Greenbelt, The Columns, Aeropolis condo projects, Ayala Westgrove Heights, Ayala Greenfield Estates and Anvaya Cove. The balance of 27% was used for investment properties such as shopping centers and office buildings, including Market! Market! and BPO office buildings.

The Company's project launches and construction of ongoing projects are generally on schedule. Disbursement of the remaining balance by year-end will depend on the cash levels of subsidiaries with budget allocations for equity infusions and the closing of ongoing negotiations for the acquisition, primarily via joint development or lease, of properties and their subsequent development.

Balance Sheet
Total interest-bearing debt was brought down to P10.9 billion as of end-September, resulting in lower debt-to-equity and net debt-to-equity of 0.29:1 and 0.08:1, respectively.

Cash reserves amounted to P8.0 billion, owing to the P3.2 billion net cash flow generated from the sale of AIVI shares and P778 million receivables sale. The high cash level enabled the Company to prepay more expensive debt and pay out P1.4 billion cash dividends in the first nine months. Part of the cash reserve was subsequently distributed as special dividend of P1.5 billion (P0.14/share) on October 3.

Given the Company's solid balance sheet, it remains fully capable of pursuing strategic investments and projects that will ensure its long term, sustainable growth.

For your information.

Very truly yours,

(original copy signed)

JAIME E. YSMAEL
Senior Vice President & Chief Finance Officer

AYALA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of September 30, 2005 and December 31, 2004

	UNAUDITED SEPT. 2005	AUDITED DEC. 2004
(in million pesos)		
ASSETS		
Current Assets		
Cash and cash equivalent	7,957	6,360
Accounts and Notes Receivable - net	7,416	7,451
Subdivision land for sale	3,334	3,103
Condominium and Residential units for sale	4,000	2,900
Deferred tax and other current assets	1,649	1,045
Total Current Assets	24,356	20,859
Non-current Accounts and Notes Receivable	5,381	6,445
Land & Improvements	16,803	17,309
Investments	25,362	26,625
Property and Equipment -net	1,274	1,501
Other Assets	1,941	1,290
	75,117	**74,029**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	8,772	5,739
Loans payable	1,412	1,937
Income tax payable	185	166
Current portion of :		
Long-term debt	805	1,111
Estimated Liability for Land & Property Development	2,589	3,043
Other current liabilities	634	194
Total Current Liabilities	14,397	12,190
Long-term debt - net of current portion	8,706	10,389
Non-current Liabilities and Deposits	4,737	4,390
Estimated Liability for Land and Property Development	2,551	2,225
Minority Interest	6,913	6,776
Stockholders' Equity	37,813	38,059
	75,117	**74,029**

AYALA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
AND UNAPPROPRIATED RETAINED EARNINGS
For the Three Months and Nine Months Ended September 30, 2005 and 2004

	2005 Unaudited		**2004 Unaudited**	
	July 1 to September 30	**January 1 to September 30**	**July 1 to September 30**	**January 1 to September 30**
(in million pesos)				
REVENUES				
Real estate	4,375	12,974	3,750	11,237
Interest and Other Income	319	3,482	375	939
	4,694	16,456	4,125	12,176
COSTS AND EXPENSES				
Real estate	2,837	8,440	2,360	7,250
General and administrative expenses	416	1,562	502	1,317
Interest and other charges	354	3,060	251	970
Provision for income tax	183	532	317	879
	3,790	13,594	3,430	10,416
INCOME BEFORE NET EARNINGS APPLICABLE TO MINORITY INTEREST	904	2,862	695	1,760
NET EARNINGS APLLICABLE TO MINORITY INTEREST	114	271	29	(14)
NET INCOME	790	2,591	666	1,774
UNAPPROPRIATED RETAINED EARNINGS BEG, as previously stated	16,228	17,357	15,873	14,995
Effect of changes in accounting for:				
PFRS 2 - Share options granted in prior years		(291)		(252)
PFRS 3 - Cessation of amortization of negative goodwill		717		713
PAS 19 - Unfunded defined benefit obligations		(406)		(341)
PAS 21 - Elimination of capitalization of forex losses		(37)		(28)
UNAPPROPRIATED RETAINED EARNINGS BEG, as restated	16,228	17,340	15,873	15,087
Cash Dividend (P0.27 per share in 2005 and P0.03 per share in 2004)		(2,913)		(322)
UNAPPROPRIATED RETAINED EARNINGS, ENDING	17,018	17,018	16,539	16,539
EARNINGS PER SHARE *		0.24		0.16

** Based on 10,788,953,835 and 10,769,300,909 weighted average number of shares as of September 30, 2005 and 2004 respectively.*

AYALA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Nine Months Ended September 30, 2005 and 2004

	UNAUDITED	
	January 1 to September 30	
	2005	2004
(in million pesos)		
CAPITAL STOCK - P1 par value		
Issued		
Balance at beginning of year	10,774	10,761
Stock options exercised	14	7
Balance at end of the period	10,788	10,768
Subscribed		
Balance at beginning of year	1	2
Stock options exercised	0	0
Balance at end of the period	1	2
STOCK OPTION OUTSTANDING		
Stock options exercised	307	0
Balance at end of the period	307	0
ADDITIONAL PAID-IN CAPITAL		
Balance at beginning of year	3,598	3,526
Stock options exercised -net	105	35
Balance at end of the period	3,703	3,561
SUBSCRIPTIONS RECEIVABLE		
Balance at beginning of year	(5)	(10)
Stock options exercised - net	2	4
Balance at the end of the period	(3)	(6)
	14,796	**14,325**
RETAINED EARNINGS		
Appropriated for future expansion	6,000	6,000
Unappropriated:		
Balance at beginning of year	17,357	14,995
Effect of changes in accounting for:		
PFRS 2- Share options granted in prior years	(291)	(252)
PFRS 3- Cessation of amortization of negative goodwill	717	713
PAS 19- Unfunded defined benefit obligations	(406)	(341)
PAS 21- Elimination of capitalization of FOREX losses	(37)	(28)
Balance at beginning of year, as restated	17,340	15,087
Cash dividends	(2,913)	(322)
Net income, as restated	2,591	1,774
Balance at end of the period	17,018	16,539
	23,018	**22,539**
TREASURY STOCK		
Balance at beginning of year	(1)	(1)
Shares repurchased		
Balance at end of year	(1)	(1)
	37,813	**36,863**

AYALA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2005 and 2004

	UNAUDITED	
	January 1 to September 30	
	2005	**2004**
(in million pesos)		
CASH FLOW FROM OPERATING ACTIVITIES		
Net Income	2,591	1,774
Adj.to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	745	673
Provision for doubtful accounts	0	14
Provision for decline in value of assets/ asset write off	1,857	0
Net earnings applicable to minority interest	271	(14)
Equity in net earnings	(164)	(154)
Changes in operating assets and liabilities :		
Decrease (increase) in :		
Accounts and notes receivable - trade	1,688	(2,114)
Subdivision land for sale	(127)	(77)
Condominium and residential units for sale	(1,203)	495
Deferred tax and other current assets	(595)	(640)
Increase (decrease) in :		
Accounts payable and accrued expenses	1,525	1,408
Other current liabilities	459	(181)
Estimated liability for land and property development	(128)	1,137
Net cash provided by operating activities	6,919	2,321
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal of (addition to) :		
Land and improvements	288	662
Investments	(399)	145
Property & equipment	(332)	(231)
Decrease (increase) in :		
Accounts and notes receivable - non trade	(590)	(1,082)
Other assets	(660)	(323)
Net cash used in investing activities	(1,693)	(829)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from (payment of) loans payable	377	380
Proceeds from (payment of) long term debt	(2,890)	(1,052)
Dividends paid	(1,404)	(644)
Increase (decrease) in :		
Non- current liabilities and deposits	282	248
Minority interest	(129)	93
Additional issuance of capital stock	135	125
Net cash provided by (used in) financing activities	(3,629)	(850)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT	1,597	642
CASH AND CASH EQUIVALENT AT BEGINNING OF PERIOD	6,360	4,855
CASH AND CASH EQUIVALENT AT END OF PERIOD	7,957	5,497