



MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING

6 April 2015 at 9:00 AM

Ballroom 2, Fairmont Makati

1 Raffles Drive, Makati Avenue, Makati City

	No. of Outstanding and Voting Shares	Percentage of Total
Shareholders Present:	23,243,026,014	83.78%

Directors Present:

Fernando Zobel de Ayala

*Chairman of the Board
Chairman, Executive Committee
Member, Nomination Committee
Member, Personnel and Compensation Committee*

Jaime Augusto Zobel de Ayala

*Vice Chairman of the Board
Member, Executive Committee
Member, Personnel and Compensation Committee*

Bernard Vincent O. Dy

*President and Chief Executive Officer
Member, Executive Committee
Member, Sustainability Committee*

Antonio T. Aquino

*Member, Executive Committee
Member, Nomination Committee
Member, Personnel and Compensation Committee
Member, Audit Committee
Member, Risk Committee*

Delfin L. Lazaro

Member, Executive Committee

Vincent Y. Tan

Jaime C. Laya

*Chairman, Sustainability Committee
Chairman, Audit and Risk Committee
Member, Risk Committee*

Francis G. Estrada

*Chairman, Personnel and Compensation Committee
Chairman, Nomination Committee*

Rizalina G. Mantaring

*Chairman, Risk Committee
Member, Audit Committee
Member, Sustainability Committee*

1. Call to Order

After the national anthem, the Chairman, Mr. Fernando Zobel de Ayala, called the meeting to order at 9:00 a.m. He welcomed the stockholders, members of the Board, the President and other officers of the Corporation.

2. Notice of Meeting

The Secretary certified that notice of the meeting was sent to each stockholder of record as of 5 February 2015 in accordance with the By-Laws and applicable rules.

3. Determination of Quorum

The Secretary further certified that there was a quorum for the meeting with stockholders representing 23,243,026,014 shares or 83.78 % of the 27,741,831,897 outstanding and voting shares present in person or by proxy.

4. Procedures for Discussion and Voting

The Chairman requested that any stockholder who wished to speak should first identify himself after being acknowledged by the Chair and limit his remarks to the item in the Agenda under consideration.

Thereafter, the Secretary discussed the voting procedures. A stockholder may vote manually using the ballot provided to him upon his registration and placing the voted ballot in the ballot boxes located at the Registration table and inside the Ballroom. A stockholder may also vote online using any of the sixteen (16) computers at the stations for online voting outside the Ballroom. The paper ballot and the website platform for online voting set forth the proposed resolutions for consideration by the stockholders and each proposed resolution would be shown on the screen in front as it is taken up at this meeting.

The Secretary also informed the stockholders that they generally act by the affirmative vote of stockholders owning at least a majority of the outstanding voting stock present at the meeting. The election of directors shall be by plurality of votes and every stockholder shall be entitled to cumulate his votes.

Each outstanding share of stock entitles the registered stockholder to one vote.

The Secretary also announced that the stockholders may cast their votes anytime during the meeting. All votes received shall be tabulated by the Office of the Corporate Secretary and the results of the tabulation shall be validated by the external auditor, SyCip Gorres Velayo & Co. ("SGV"). As the stockholders take up an item in the Agenda, the Secretary would report on the votes that have been received and tabulated and the final tally of votes would be reflected in the minutes of the meeting.

Thereafter, the Chairman proceeded with the approval of the minutes of the last stockholders' meeting.

5. Approval of the Minutes of the 2014 Stockholders' Meeting

The Chairman stated that copies of the minutes of the annual stockholders' meeting held on 7 April 2014 were distributed to the stockholders upon their registration for the meeting and a copy of the minutes was posted and could be accessed on the website of the Corporation.

The Chairman asked the stockholders if they have any questions or comments on the minutes of the annual stockholders' meeting held on 10 April 2014.

There being no questions raised, the Chairman requested for a motion for approval.

Thereafter, on motion of Mr. Mitchum Mantoya, seconded by Mr. Nathan Casanova, the stockholders approved the minutes and adopted the following Resolution No. S-01-15, which was shown on the screen:

Resolution No. S-01-15

RESOLVED, to approve the minutes of the annual stockholders' meeting held on 7 April 2014.

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the motion for the approval of the minutes and the adoption of Resolution No. S-01-15 are as follows:

	For	Against	Abstain
Number of Voted Shares	23,216,632,706	-	26,390,608
% of Voting Shares Present	99.89%	0.00%	0.11%

6. Annual Report of Officers

Chairman's Message

The Chairman began by stating that building sustainable communities that enrich lives is a commitment that the Corporation delivers every year. In 2014, the Corporation continued to deliver on this promise, took advantage of unique opportunities in the market, and culminated its 5-10-15 Plan, which started in 2009. The Corporation had set a target of reaching Php10 Billion in net income in five years and this was achieved a year ahead of the plan. He reported that, looking ahead, the bar is set higher as the Corporation transitions to its 2020-40 Plan, and under the leadership of Mr. Bernard Vincent O Dy, the new President and Chief Executive Officer, the Corporation is targeting to grow at an average pace of 20% annually and reach a net income of Php40 Billion by 2020. As the Corporation continues to expand its nationwide presence and diversify its portfolio of real estate products and services, the Corporation is well positioned to achieve these growth objectives anchored on the aspiration that the economy will continue to grow at its current pace.

The Chairman noted that as the Corporation pursues the bold growth aspiration, it will remain committed to its broad sustainability goals and that sustainability will continue to be embedded in the way things were done, contributing to the holistic development of the Corporation's growth centers. In addition, throughout the milestones and achievements, the Corporation holds fast to its values of integrity and excellence noting that it is important to always conduct its business in a socially responsible manner, upholding the highest standards of transparency, compliance, and good governance. Most importantly, the Corporation has a strong organization equipped and positioned to take it to new heights and support the country's national economic agenda.

In closing, the Chairman commended the exceptional performance of everyone at the Corporation and stated that it has been a source of great pride to see how the Corporation has evolved over time, seizing so many opportunities during this exciting growth cycle. He also expressed his appreciation of the guidance and engagement of the Board of Directors and the continued confidence of the investors, creditors, business partners, and customers and look forward to many more years of responsible growth, helping build sustainable communities and enriching lives.

President's Report

The President, Mr. Bernard Vincent O. Dy, started by reporting the successful completion of the Corporation's 5-10-15 plan which was achieved by surpassing the target net income of Php10 Billion in five years. He noted that in 2014 the Corporation reached a net income of Php14.08 Billion which is 26% higher than in 2013 making last year the fifth consecutive year that the Corporation realized an annual growth rate of more than 20%. In addition, there was an increase in the earnings per share of the Corporation that breached the Php1.00 mark registering a 27.6% compound annual growth rate in the last five years thereby creating significant value for the shareholders.

The President also presented updates on the Corporation's established estates such as Makati, Bonifacio Global City ("BGC"), Cebu Park District, and NUVALI which are thriving and market-leading developments. In 2014, Php65 Billion was allocated for Makati to enhance, in the next five years, the prime locations within the City including the construction of City Gate and gearing-up of Circuit Makati's retails and entertainment facilities. There is also an initial Php60 Billion investment to redevelop Makati Central Business District and a constant enhancing of the established estates and new developments in Cebu Park District, BGC and NUVALI contributing greatly to the local economy.

Development in the Corporation's emerging estates is also moving at a fast pace with all product offering in various stages of construction and operations. There is an increase in activity in Vertis North in Quezon City, South Park District in Alabang, North Point in Talisay City, Centrio in Cagayan de Oro, and Abreeza in Davao.

In 2014, new estates were also launched that will set the pace for new property offerings in the next few years including the Arca South project in Taguig, which is envisioned to be the next business district to emerge south of Metro Manila; Alviera, the largest landbank in Central Luzon, which is expected to spur activity in the region; and Altaraza, the estate in San Jose Del Monte, Bulacan, which will house three of the Corporation's residential brand as well as commercial area both business and institutional uses such as offices, retails schools and a hospital. In the Visayas, there is the Atria Park District in Iloilo City, a mixed-use estate that will have residential developments, commercial and office spaces.

The President also reported that 2014 marked significant achievements in the residential business as the five residential brands launched Php85 Billion worth of products on top of the existing inventory which resulted in gross sales surpassing the Php100 Billion mark for the first time in the Corporation's history. The Corporation also maintained its market leadership in the vertical condominium market segment with share levels of 26% in Metro Manila and 28% in Visayas and Mindanao, and continues to make inroads in broadening the reach of all the residential brands.

The commercial business also made significant strides in 2014 including the opening of the Fairview Terraces in Quezon City and expansion of the U.P. Town Center. In addition, the Bonifacio Central Square in Bonifacio Global City was also opened which increased the total gross leasable area ("GLA") in Bonifacio High Street and brought up the total malls GLA to 1.3 Million square meters. The President also noted that to increase the growing demand for modern buildings, new buildings were completed in U.P.

Ayala Land Technohub, Fairview Terraces in Quezon City, McKinley Exchange in Makati, and eBloc 3 in Cebu. With these new buildings, the total office GLA is now at 612,000 square meters.

More hotels and resort rooms were also opened across the internationally-branded hotels and Seda which was recognized in 2014 by the prestigious World Travel Awards as the “Philippines’ Leading Hotel Group”. The Anvaya Cove Golf & Sports Club was likewise cited by Asian Golf Awards to be “The Best New Course in Asia”. Lio, on the other hand, was also launched, the Corporation’s first eco-tourism estate in El Nido, Palawan.

New business lines were also started including QualiMed, Wellworth and FamilyMart to strive completeness in the communities.

The President noted that with this continued success, a new goal, which is the 2020-40 Plan, is set which aims to achieve a net income of Php40 Billion by the year 2020 effectively growing at an annual rate of 20%. He also reported that the confidence for this new goal is built in several drivers of growth including: (i) Philippine economy which continues to be strong; (ii) leveraging of over 8,600 hectares of landbank in 45 growth centers; and (iii) continued supply of residential products.

The President also reported that as the Corporation’s portfolio is being balanced between developments and recurring income, there is a significant increase in the Corporation’s investment in malls, office and hotels business which will be concentrated in the estates and will synergize all product lines. The planned investments are supported by a strong business model able to generate substantial cash flows and a strong balance sheet that is expected to be able to withstand the changes in the market conditions.

The President also recognized the organization’s capability which allows the Corporation to move quickly and seize opportunities in the market. He noted that the organization has also been decentralized to keep teams nimble and empowered while keeping advantage of a large organization.

The Corporation is clearly being prepared for long-term growth with sustainability as its key component in all the developments. The President noted that communities are built and anchored in site resilience, pedestrian and transit connectivity, eco-efficiency and local employment which also supports the Corporation’s vision of enhancing quality of life for more people with the confidence that such communities will stand the test of time.

In closing, the President acknowledged the leadership of the Chairman, the Vice Chairman, Mr. Jaime Augusto Zobel de Ayala, former President and Chief Executive Officer, Mr. Antonino T. Aquino and the other Board members. He also expressed his appreciation for the dedicated teams of professionals, and the stockholders for the continued trust and support.

After the report of the President, an audio-visual presentation was shown to the stockholders.

Thereafter, the Chairman opened the floor for questions or comments from the stockholders on the annual report or the 2014 audited financial statements.

Mr. Philip Turner congratulated the Board for its performance and commended the Corporation’s services to the community. He also inquired on the Corporation’s plan on the “wasted” spaces in Tower One and Exchange Plaza specifically on the main entrance of the building suggesting that the architects assigned to design the building should also have an idea on the future use of the building’s space aside from just focusing on beauty and appearance. The Chairman noted the comments and suggestions of Mr. Turner and commented that Management is constantly trying to improve the facilities and amenities of Tower One and

Exchange Plaza. The Chairman emphasized that the focus of the building's design as well as with all the projects of the Corporation, is the creation of balance between efficiency and use of open space.

Mr. Ed Lucero, another stockholder, supported the statement of the Chairman and mentioned that one of the hallmarks of the Corporation's development is its low-density construction where there are a lot of open spaces where people can interact with nature. He also congratulated the Board, Management and staff for the outstanding performance in 2014 and expressed his confidence that Corporation will meet its target earlier than planned due to the sustainable communities that the Corporation is building.

Mr. Eduardo Tuazon also expressed his positive feedback on the increase in the revenues of the Corporation and its subsidiary, Avida Land Corp. ("Avida"). He aired his concerns though on the lack of official and provisional receipt as proof of his payment of the reservation fee for one of the units in an Avida development in NUVALI, Laguna. He suggested that the reservation application should at least include a statement pertaining to the payment of reservation in the absence of an official or provisional receipt. The Chairman assured Mr. Tuazon that his concerns and suggestions will be taken into account. The President also mentioned that a customer service personnel will approach Mr. Tuazon after the meeting to assist him on his concerns.

Mr. Elnora Turner also expressed that they are happy to join the annual stockholders' every year and commended the hard work of the Board.

Mr. Carmencita Santos, on the other hand, expressed her frustration on her customer service experience and strongly suggested that Management should make sure that customers know the feedback mechanism and their possible recourse should a problem arise. She also pointed out that she was able to get a feedback on her queries only when she mentioned that she is a stockholder of the Corporation. This also prompted her to ask the possible recourse for customers who are not stockholders. Furthermore, she noted that this issue on customer service feedback mechanism will have an impact on the marketing efforts of Management especially if customers do not know where to go to. The Chairman sympathized with Ms. Santos and assured her that a customer care representative will discuss her concerns right after the meeting so that Management could also have a better understanding thereof and that a more senior group will also work and take action on her concerns. The Chairman further stated that the President and he will personally look at what happened to make sure that proper mechanisms are put in place.

Mr. Guillermo Gili asked about the exact location in Cavite of the LRT-1 expansion. The Chairman noted that the LRT-1 is not part of the Corporation's project and the same will be discussed in Ayala Corporation's annual stockholders' meeting.

There being no other questions, comments and suggestions from the stockholders, Ms. Andrea Luge moved for the noting of the annual report and the approval of the 2014 audited financial statements, and the adoption of the following Resolution No. S-02-15, which was shown on the screen, and Mr. Thomas Cadiz seconded the motion:

Resolution No. S-02-15

RESOLVED, to note the Corporation's Annual Report, which consists of the Chairman's Message, the President's Report, and the audio-visual presentation to the stockholders, and to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of 31 December 2014, as audited by the Corporation's external auditor SyCip Gorres Velayo & Co.

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the motion for the noting of the annual report and the approval of the 2014 audited financial statements, and the adoption of Resolution No. S-02-15 are as follows:

	For	Against	Abstain
Number of Shares Voted	23,213,437,306	2,008	29,584,000
% of Shares Voted	99.87%	0.00001%	0.13%

7. Ratification of Acts and Resolutions of the Board and its Committees, and Acts of Management in the Preceding Year

The Secretary explained that the ratification by the stockholders was sought for the acts and resolutions of the Board of Directors, Executive Committee, and other Committees as well as all acts of Management and officers of the Corporation taken or adopted since the annual stockholders' meeting on 7 April 2014 until today. They included approval of contracts, projects and investments, treasury matters, and acts covered by disclosures to the Philippine Stock Exchange and the Securities and Exchange Commission ("SEC"), which were reflected in the minutes of the meetings. The acts of Management and officers were taken to implement the resolutions of the Board of Directors or its Committees or taken in the general conduct of business.

The Chairman asked the stockholders if they have any questions or comments on the matter sought to be approved.

There being no questions raised, the Chairman requested for a motion for approval.

On motion of Ms. Gyneth Garcia, seconded by Ms. Shower Raagas, the stockholders approved and ratified all acts and resolutions of the Board of Directors, Executive Committee, and other Board Committees and the acts of Management taken and adopted since 7 April 2014 until 6 April 2015 to implement the resolutions of the Board or its Committees or taken in the general conduct of business and adopted Resolution No. S-03-15. The text of the following Resolution No. S-03-15 was shown on the screen:

Resolution No. S-03-15

RESOLVED, to approve, confirm, and ratify all resolutions of the Board of Directors and the Executive Committee, and other Board Committees, as well as all acts of Management taken or adopted since the annual stockholders' meeting on 7 April 2014 until today, as reported by the Corporate Secretary.

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the motion are as follows:

	For	Against	Abstain
Number of Shares Voted	23,213,433,454	5,860	29,584,000
% of Shares Voted	99.87%	0.00003%	0.13%

8. Election of Directors

The next item in the Agenda was the election of nine (9) members of the Board of Directors for the ensuing year. The Chairman requested the Chairman of the Nomination Committee to explain this item.

Mr. Francis G. Estrada, the Chairman of the Nomination Committee, explained that, in accordance with the requirements of the Corporation's By-Laws, the Manual of Corporate Governance and the SEC Rules, the names of the following nominees to the Board of Directors had been submitted to the Nomination Committee, and each one has accepted the nomination in writing:

Fernando Zobel de Ayala
Jaime Augusto Zobel de Ayala
Bernard Vincent O. Dy
Antonino T. Aquino
Delfin L. Lazaro
Vincent Y. Tan
Rizalina G. Mantaring
Francis G. Estrada
Jaime C. Laya

Messrs. Estrada and Laya, and Ms. Mantaring had been nominated as independent directors. Mr. Estrada further reported that all the nominees possessed all the qualifications and none of the disqualifications under the Corporation's By-Laws and Manual of Corporate Governance, and were eligible to be nominated and elected directors of the Corporation.

The Chairman asked the stockholders if they have any questions or comments on the matter sought to be approved.

There being no questions raised, the Chairman requested the Corporate Secretary for the results of the election.

On motion of Mr. Dino Mendoza, seconded by Ms. Jobie Laborada, the stockholders elected the foregoing nominees as directors of the Corporation for the ensuing year to serve as such beginning today until their successors are duly elected and qualified and adopted Resolution No. S-04-15. The text of the following Resolution No. S-04-15 was shown on the screen.

Resolution No. S-04-15

RESOLVED, to elect the following nominees as directors of the Corporation to serve as such beginning today until their successors are duly elected and qualified:

Fernando Zobel de Ayala
Jaime Augusto Zobel de Ayala
Bernard Vincent O. Dy
Antonino T. Aquino
Delfin L. Lazaro
Vincent Y. Tan
Rizalina G. Mantaring
Francis G. Estrada
Jaime C. Laya

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes received by the nominees are as follows:

Director	For	Against*	Abstain*
1. Fernando Zobel de Ayala	22,951,337,713	272,689,537	27,186,400

% of Shares Voted	98.75%	1.17%	0.12%
2. Antonino T. Aquino	22,897,612,080	283,556,006	57,993,100
% of Shares Voted	98.51%	1.22%	0.25%
3. Jaime Augusto Zobel de Ayala	22,871,422,383	284,005,898	26,736,800
% of Shares Voted	98.40%	1.22%	0.12%
4. Delfin L. Lazaro	23,049,849,754	165,223,532	26,388,600
% of Shares Voted	99.17%	0.71%	0.11%
5. Bernard Vincent O. Dy	23,098,970,030	171,237,956	26,388,600
% of Shares Voted	99.38%	0.74%	0.11%
6. Vincent Y. Tan	23,065,012,102	193,288,584	26,388,600
% of Shares Voted	99.23%	0.83%	0.11%
7. Francis G. Estrada	23,102,101,118	112,964,168	26,388,600
% of Shares Voted	99.39%	0.49%	0.11%
8. Jaime C. Laya	23,064,696,914	95,238,968	23,388,600
% of Shares Voted	99.23%	0.41%	0.11%
9. Rizalina G. Mantaring	23,157,353,286	14,492,600	26,388,600
% of Shares Voted	99.63%	0.06%	0.11%

**Votes "Against" have no effect on the outcome of the elections. Under the Corporation Code of the Philippines, the election of directors is by plurality of votes.*

Abstentions also have no effect on the outcome of the elections. Under the Corporation Code of the Philippines, shareholders have the right to cumulative voting to ensure minority shareholders' representation in the Board of Directors. A shareholder is entitled to one vote per share times the number of directors to be elected. He may cumulate his votes all in favor of one candidate, or distribute them equally or in any proportion among the candidates.

9. Election of Auditors and Fixing of Their Remuneration

At the request of the Chairman, Mr. Jaime C. Laya, the Chairman of the Audit Committee, informed the stockholders that the Committee evaluated and was satisfied with the performance of the Corporation's external auditor, SGV. Thus, the Committee and the Board agreed to endorse the election of SGV as the external auditor of the Corporation for the current fiscal year for an audit fee of Three Million Six Hundred Thirty-eight Thousand Pesos (Php3.638 Million), exclusive of value-added tax and out-of-pocket expenses.

The Chairman asked the stockholders if they have any questions or comments on the matter sought to be approved.

There being no questions raised, the Chairman requested for a motion for approval.

Thereafter, on motion of Mr. Alvin Magat, seconded by Ms. Kaye Cordero, the stockholders elected SGV as external auditor of the Corporation for the current fiscal year including the approval of SGV's audit fee and adopted the following Resolution No. S-05-15, which was shown on the screen.

Resolution No. S-05-15

RESOLVED, as endorsed by the Board of Directors, to approve the re-election of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2015 for an audit fee of Php3.638 Million, exclusive of value-added tax and out-of-pocket expenses.

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the election of SGV as external auditor of the Corporation, the approval of its audit fee, and the adoption of Resolution No. S-07-14 are as follows:

	For	Against	Abstain
Number of Shares Voted	23,216,633,158	4,256	26,388,600
% of Shares Voted	99.89%	0.00002%	0.11%

10. Other Matters

The Chairman opened the floor for questions or comments from the stockholders on matters which are relevant and of general concern to the stockholders.

Mr. Federico Aldecoa recounted his experience in obtaining Bureau of Internal Revenue (BIR) Form 2306 from the Corporation noting that he was asked to pay Php200.00 for it, which in his opinion is too much hassle for stockholders like him. He suggested that it would be better if the BIR Form 2306 will also be given along with the dividend check so that there will be no need to request for the form separately. He also aired his disappointment with the contact information provided to the stockholders which is only for sales concerns. The Chairman assured Mr. Aldecoa that Management will look at the best way to address these concerns while Mr. Jaime E. Ysmael, the Chief Finance Officer, also noted that the requirement of the BIR to file BIR Form 2306 is not mandatory and providing the form along with the dividend checks is a tedious process on the part of the Management. He mentioned though that Management is also hoping that this requirement will be dispensed with but he assured that if this requirement becomes mandatory the Management will work to ensure that the certification is made available to all stockholders. With respect to the telephone numbers, he mentioned that these were expanded and categorized and are available in the Corporation's website.

Ms. Carmencita Santos, on the other hand, asked if there is a plan to increase further the number of independent directors citing that in her experience in the banking industry there is a move to increase the requirement for the independent directors to make up a majority of the board. Mr. Solomon M. Hermosura, the Corporate Secretary, noted that the Securities and Exchange Commission requires only 20% of the directors as independent although the ASEAN Corporate Governance scorecard encourages companies to have the independent directors compose a majority of the board. The Chairman noted that since Ayala Corporation is the majority stockholder of the Corporation, it should also have the majority of the Board seats. He also mentioned that the Corporation in fact receives awards every year for Corporate Governance and that it does not only comply with the requirements but exceeds the Corporate Governance standards.

Ms. Santos also asked about the rotation of the external auditor and the time limit a firm can serve as an external auditor. She commented that SGV has been serving as the Corporation's external auditor since time immemorial and asked if Management is comfortable with this set-up. The Chief Finance Officer noted that the requirement is to rotate the assigned partner and not the auditing firm itself. Mr. Ysmael emphasized that the rotation is strictly being implemented by SGV to ensure their independence and that it is also being monitored by the Management. He assured that the Board and Management are comfortable with this set-up as the requirement of rotation is being met by SGV.

Mr. Antonio Garcia aired his concern about the policy of Trinoma Mall on the use of the family lounge, where an age limit for children is being imposed. He asked why call it a family lounge if the family members are not allowed to be together. He also mentioned if Ayala Malls Group can do something to remove or change the anti-camcording ad being aired before the start of a movie noting that while the message is clear

about illegal cam-cording, it also depicts violence which is not suitable for minor audience. The Chairman assured that a representative from the Ayala Malls Group will approach Mr. Garcia to address his concerns.

Mr. Philip Turner raised a question in relation to the unappropriated retained earnings of the Corporation, their supposed pay-out to the stockholders, and the declaration of dividends, amount and schedule. He noted that per his understanding of the Philippine Corporation Code, when the unappropriated retained earnings exceed the paid-in capital, the excess should be paid to the stockholders. In answer, the Chairman noted that the Corporation has dividend policy that it has been following over the years keeping in mind the importance of balance between the dividends for stockholders and the need of the Corporation to fund its capital expenditures. Mr. Ysmael also pointed out the Corporation's commitment in paying dividends and recounted that the Corporation has increased its dividend payout since 2010 with a yearly increase of 5%. He also emphasized the fact that last year the Corporation reached the 50% payout of the previous net income of the Corporation equivalent to Php5.7 Billion and assured that in terms of dividend pay-out, the stockholders could expect the continued growth in the years to come. He also mentioned that this year's dividend is slightly higher than last year which translates to 40% pay-out. He further commented that part of the retained earnings should also be reinvested towards funding the heavy capital expenditure program to build up the Corporation's portfolio for malls, offices and hotels to achieve the 50-50 balance between development income and other plans. Stockholders should consider that the Corporation needs to re-invest the retained earnings not only to fund the expansion program but to also avoid borrowings which will risk the strength of the Corporation's balance sheet. He also mentioned that in the future, the Management will ensure that part of the retained earnings is appropriated to fund the expansion programs of the Corporation.

Mr. Emilio Dela Cruz aired his concern on the requirement of the Corporation in relation to accrediting real estate brokers as selling agents of various projects and developments of the Corporation and its subsidiaries. He noted that compared to other developers, the Corporation's requirements are too strict including the attendance of a whole day seminar. The President commented that these seminars and strict requirements are set to make sure that selling agents will have sufficient knowledge of the Corporation's products to able to properly represent the Corporation. The Management wants to make sure that sellers are well informed of the product specification of each project and possess proper knowledge of the various consumers segments. He also assured that to further address his concerns, a representative from the Sales Group will approach Mr. dela Cruz after the meeting.

Mr. Guillermo Gili made a follow-up question on the engagement of SGV where the Chairman again noted that the Corporation is strictly following the rules and set the highest standards for Corporate Governance.

11. Adjournment

There being no other matters to discuss, on motion of Mr. Mac Cris Lascano, seconded by Mr. Ivan Ayson, the meeting was adjourned.

PREPARED BY:



SOLOMON M. HERMOSURA
Corporate Secretary

ATTESTED BY:

FERNANDO ZOBEL DE AYALA
Chairman of the Board & of the Meeting