

20 October 2014

Philippine Stock Exchange, Inc.

3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Ave., Makati City
Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Dear Madam,

We respond to your letter seeking clarification and/or confirmation on the news article entitled "ALI defers Homestarter bonds" posted in Manila Standard Today (Internet Edition) on October 19, 2014. The article reported in part that:

"Property developer Ayala Land Inc. said it will delay the issuance of up to P5 billion worth of Homestarter bonds to early 2015, as the company already completed its fund-raising activities this year.


Ayala Land initially planned to issue the Homestarter bonds, an alternative saving strategy that aims to provide opportunities for people to purchase real estate products, in the second half of 2014.

'We don't need any additional funding for the rest of the year and we are done with our fund raising for this year,' Ayala Land chief finance officer Jaime Ysmael told reporters.

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We wish to clarify that the P7 billion bonds mentioned in the article pertains to the balance of the P15 billion corporate bonds issue which is covered by a previously approved registration statement with the Securities and Exchange Commission. In relation to the P5 billion Homestarter bonds, we are still currently reviewing their features to make them more relevant to our Homestarter investors. The issuance of the corporate bonds and the Homestarter bonds will be deferred to 2015 as we have already completed our fund-raising activities for the year.

Very truly yours,


JAIME E. YSMAEL
Compliance Officer

Cc

Philippine Dealing and Exchange Corporation

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave cor. Paseo de Roxas, Makati City
Attention: Ms. Vina Vanessa S. Salonga
Head, Issuer Compliance and Disclosures Department

Securities and Exchange Commission

SEC Building, Mandaluyong City
Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Market Regulation Department