

03 December 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 this morning, seeking our clarification and/or confirmation on the news article entitled "Ayala denies making new offer for Puerto Azul" posted in abs-cbnnews.com on December 2, 2014. The article reported that:

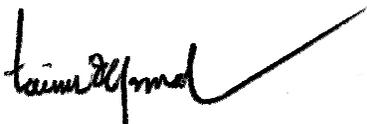
"MANILA, Philippines - Ayala Land on Tuesday denied it has made a new offer for the Puerto Azul property owned by Boulevard Holdings.

'Though we always look for opportunities, no new offer and commercial offer for Puerto Azul has been made,' ALI president Bobby Dy said.

...."

We wish to clarify that Ayala Land's call to Boulevard Holdings, Inc. last November 17 was to make general and exploratory inquiries. No new and formal commercial offer for Puerto Azul has been made.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jaime E. Ysmael', with a long, sweeping flourish extending to the right.

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