

29 September 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

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

Dear Mesdames,

We respond to your letter seeking clarification and/or confirmation on the news articles entitled:

1. "Ayala abandons Puerto Azul deal" posted in Manila Standard Today (Internet Edition) on September 26, 2014. The article reported in part that:

"Property developer Ayala Land Inc. has terminated its plan to acquire Puerto Azul seaside estate in Cavite from Boulevard Holdings Inc., a resort developer led by businessman Jose Panlilio.

BHI said in a disclosure to the stock exchange its received letters from Ayala Land cancelling with finality its request for reconsideration regarding the planned ALI-BHI Puerto Azul memorandum of agreement dated March 13, 2014.

BHI said Ayala Land decided to focus its resources on the recently launched P75-billion mixed-use township project in Porac, Pampanga.

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We would like to confirm that Ayala Land cancelled its plan to acquire the property of Boulevard Holdings, Inc. located in Ternate, Cavite. This decision was made because we had a very specific product in mind for the said property. That product required more land allocated for the development of residential lots, which would have been workable if certain amenities were transferred to external parcels.

Both ALI and BHI worked together to look for solutions. Any solution would however still be subject to standard due diligence. As it cannot be reasonably determined how long it will be to close issues on the acquisition, the company decided to move forward with other projects. We thank BHI for having given us the chance to look into this opportunity with them.

2. "STI, Ayala Land unit to redevelop QC's JASMS" posted in BusinessWorld Online on September 28, 2014. The article reported in part that:

"STI EDUCATION Systems Holdings, Inc. is partnering with a unit of Ayala Land, Inc. for the expansion of Jose Abad Santos Memorial School (JASMS) in Quezon City into a 2.2-hectare mixed-use development, with the whole project expected to cost around P2 billion to P3 billion.

....”

We would like to clarify that Ayala Land, Inc. and its subsidiary, Amaia Land Co., signed an agreement with Unlad Resources Development Corporation and BPI Asset Management and Trust Group as trustee for Philippine Plans First Inc. for the development of the 2.2 hectare Jose Abad Santos Memorial School (JASMS) property in Quezon City.

The development will be a mixed-use project, with retail and residential buildings to complement the educational institution. This project is strategically located along EDSA, and is in the vicinity of our large township development, Vertis North. We believe that this project will enhance our existing presence in the Quezon City area.

3. “Ayala seals Jaka Tower buyout.” The article reported in part that:

“Property developer Ayala Land Inc. has closed the deal to acquire the unfinished Jaka Tower, a long-time eyesore in the Makati central business district and owned by the family of Senator Juan Ponce Enrile.

Ayala Land president Bernard Vincent Dy told the Manila Standard the company completed the acquisition after conducting a due diligence on the said property.

Dy did not disclose the terms of the deal, including the acquisition cost because of a non-disclosure agreement.

Dy said Ayala Land would not tear down the existing Jaka Tower and would just continue erecting the structure, as the tower was still structurally sound despite being abandoned for more than 15 years now.

“Based on our due diligence we don’t need to demolish the existing building,” Dy said.

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Dy said the newly-acquired property would be a part of the P65-billion redevelopment plan of Ayala Land within the Makati CBD.”

We would like to confirm that Ayala Land has closed the deal to acquire the Jaka Tower located along Ayala Avenue in Makati City. This property will be part of Ayala Land’s redevelopment plan for the entire Makati CBD, and is expected to complement our other projects in the surrounding area..

Very truly yours,



JAIME E. YSMAEL
Compliance Officer
Chief Finance Officer

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