

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17.1

1. May 06, 2014
Date of Report (Date of earliest event reported)
2. 152747
SEC Identification Number
3. 000-153-790-000
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. [REDACTED] (SEC Use Only)
Industry Classification Code
7. 30/F, Tower One, Ayala Triangle, Ayala Avenue, Makati City
Address of principal office
- 1226
Postal code
8. (632) 750-6974
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 8 and 12 of the SRC or Sections 4 and 8 of the RSA

As of March 31, 2014

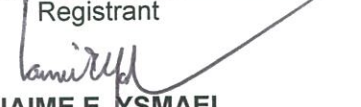
Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt Outstanding
COMMON SHARES	14,173,560,726	
VOTING PREFERRED*	13,066,494,759	P 109 Billion

Indicate the item numbers reported herein : Item 9. Other Events

Re: Ayala Land 1st Quarter 2014 Unaudited Financial Results

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.

Date : May 06, 2014

AYALA LAND, INC.
Registrant

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

**Unregistered*



SEC Reg. No. 152747

06 May 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

Securities and Exchange Commission

SEC Building, Mandaluyong City

Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Market Regulation 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 Disclosure Department

Gentlemen and Mesdames:

We submit herewith Ayala Land's unaudited consolidated financial results for the period ended March 31, 2014.

Results of Operations for the Three Months Ended March 31, 2014

Ayala Land, Inc. (ALI or "the Company") sustained its robust growth trajectory in the first three months of 2014 as net income grew by 25% to P3.46 billion from the P2.76 billion posted in the same period last year. Consolidated revenues for the first three months reached P22.75 billion, 23% higher than the P18.52 billion registered in the same period in 2013. Revenues from Real Estate increased by 19% to P20.98 billion, comprising the bulk of consolidated revenues, driven by the strong performance across the property development, commercial leasing and services businesses.

The ratio of General and Administrative Expenses (GAE) to revenues declined further to 6.8% from 7.1% in first quarter 2013. Earnings before interest and taxes (EBIT) margin stood at 27% for the first three months of 2014.

Business Segments

The details of the individual performance of each business segment are discussed as follows:

Property Development. Property Development, which includes the sale of residential lots and units, office spaces, as well as Commercial and Industrial Lots, reported revenues of P13.47 billion in the first three months of 2014, 12% higher than the P12.06 billion reported during the same period in 2013.

Revenues from the Residential Segment reached P11.02 billion in the first three months, 36% higher than the same period last year, driven by strong bookings across all residential brands. Ayala Land Premier (ALP) posted a revenue growth of 32% year-on-year to P3.95 billion, owing to higher sales and bookings from residential lots in Luscara and Elaro in Nuvali and Ayala Westgrove Heights in Cavite coupled with premium condominium units such as Garden Towers in Makati, The Suites Bonifacio Global City and Park Point residences in Cebu. Alveo meanwhile generated P2.41 billion in revenues, 29% higher compared to the first three months of 2013, driven by strong contributions from existing and new projects such as Solstice Tower 1 in Circuit Makati, Lerato Tower 3 in Makati and Verve Residences Tower 1 in Bonifacio Global City. Avida and Amaia likewise recorded revenue growth of 10% and 64% to P2.79 billion and P618 million, respectively. Avida's performance was attributed to increased sales and project completion from existing and new projects namely Avida Towers Centera Tower 3 and 4 in Mandaluyong, Avida Towers 34th Street Tower 2 in Bonifacio Global City, Avida Cityflex Tower 2 in Bonifacio Global City, Avida Towers Riala Tower 1 and 2 in Cebu, as well as Avida Woodhill Settings in Nuvali. Amaia revenues was primarily boosted by sales from the success of recently launched Amaia Steps Nuvali. BellaVita saw revenues increase by 24% to P14.59 million, mainly due to solid bookings generated from its projects in General Trias and Alaminos.

Sales take-up value for the first three months of the year reached P21.29 billion, equivalent to an average monthly sales take-up of P7.10 billion, 9% higher than the P6.54 billion average in the same period last year. Residential Gross Profit (GP) margins of horizontal projects declined to 40% from 43% owing to lower margins from recently acquired lots at Ayala Greenfield Estates and Nuvali projects, while GP margins of vertical developments were maintained at 34%. The Company's five residential brands launched a total of 2,074 units in the first three months of 2014, with a total sales value of P12.17 billion.

In addition, Alveo and Avida posted a total of P216.83 million in revenues from the sale of office spaces, particularly in HSS Corporate Plaza Towers and One Park Drive in Bonifacio Global City. GP margins of offices for sale expanded to 38% from 35% in the first three months of 2013.

Revenues from the sale of Commercial and Industrial Lots decreased by 42% in the first three months to P2.24 billion, mainly due to the sale of bulk of the Arca South commercial lots in 2013. GP margins however improved to 40% from 35% due to higher margins on commercial lots sold in Nuvali and newly-acquired Altaraza in Bulacan.

Commercial Leasing. Commercial Leasing includes the Company's Shopping Centers and Office Leasing as well as Hotels and Resorts operations. Total revenues for Commercial Leasing amounted to P5.28 billion during the first three months of 2014, 29% higher than the P4.09 billion recorded in the same period last year.

Revenues from Shopping Centers rose by 16% to P2.84 billion during the first three months of 2014 from P2.45 billion in the first three months of 2013. The first three months of 2014 saw a steady increase in monthly average lease rates to P1,163 per square meter from P1,108 per square meter in first quarter 2013, with the opening of new malls and steady rental escalations. Occupied gross leasable area (GLA) was up by 11% year-on-year, while same-store rentals increased by 7%. Shopping Centers EBITDA margins was maintained at 62%.

Revenues from Office Leasing operations increased by 49% to P1.06 billion for the first three months of the year, from P711 million in the same period last year. The revenue growth was generated by higher lease rates and occupied BPO GLA, which increased by 14% year-on-year. Total occupied BPO GLA expanded to 424,529 square meters as of the end of March 2014. Average BPO lease rates increased by 3% year-on-year due to rental escalations in existing buildings. EBITDA margins of the total office portfolio improved to 82% from 79%.

Hotels and Resorts currently operates 1,294 internationally branded hotel rooms in Hotel InterContinental Manila, Cebu City Marriott, Fairmont Hotel and Raffles Residences Makati and Holiday Inn & Suites Makati, 192 island resort rooms in Lagen, Miniloc, Apulit and Pangulasian Islands in the province of Palawan and 665 Seda Hotel rooms between Bonifacio Global City, Centrio Cagayan de Oro, Abreeza Davao and Nuvali. Revenues of the Hotels and Resorts business grew by 47% to P1.37 billion in the first three months of 2014 from P931 million in the same period last year, primarily driven by improved performance of new hotels and resorts. Revenue per Available Room (REVPAR) for hotels was at P3,906, substantially higher by 51% versus 2013 levels due to improved occupancy and room rates at Holiday Inn, Fairmont Hotel and Raffles Residences and Seda Bonifacio Global City. REVPAR for resorts improved by 15% year-on-year, owing to better room rates at newly-opened Pangalusian resort in El Nido. EBITDA margins for Hotels and Resorts increased to 30% from 24%.

Services. Services, which includes the Company's wholly-owned Construction and Property Management companies, generated combined revenues of P7.54 billion during the first three months of the year, 62% higher than the P4.64 billion posted in the same period last year. Construction revenues grew by 68% to P7.28 billion with the steady completion of ALI Group projects. Property Management revenues decreased by 14% to 263 million in the first three months of 2014, due to the sale of Laguna Technopark's waterworks business. Blended EBITDA margins for Services expanded to 10% from 7% in the first three months of 2014.

Equity in Net Earnings of Investees, Interest, Fees, Investment and Other Income

Equity in Net Earnings from Investees rose by 593% to P479 million for the first three months of 2014, from P69 million in the same period last year. The increase is mainly attributed to the sale of seven commercial lots in Fort Bonifacio Development Corporation (FBDC). Meanwhile, Interest, Investment and Other income went up by 67% to P1.29 billion, due to higher interest income on installment sales.

Expenses

Total expenses for January to March 2014 amounted to P17.24 billion, 23% more than the P14.06 billion incurred as of end-March 2013. Cost of Sales from Real Estate and Hotels, which accounted for the bulk of expenses, rose 22% year-on-year amounting to P14.29 billion. GAE grew by only 18% to P1.54 billion primarily due to payroll and compensation-related expenses, which allowed GAE-to-revenue ratio to decline to 6.8% from 7.1% last year. Interest Expense, Financing and Other Charges meanwhile increased by 36% year-on year to P1.41 billion, mainly attributed to new bond issuances to finance the Company's expansion plans. The average cost of the Company's consolidated debt, however, decreased to 4.4% in the first three months of this year from 5.4% in the same period last year.

Project and Capital Expenditure

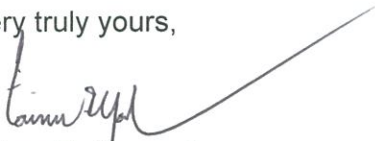
The Company spent a total of P16.44 billion for project and capital expenditures in the first three months of 2014, 60% more than the P10.29 billion spent during the same period in 2013. The bulk of capital expenditures in the first three months of 2014 were spent on residential developments (54% of total), land acquisition (29%), shopping centers (12%), offices (2%), hotels and resorts (1%), with the balance spent on support businesses. The P16.44 billion spent in the first three months represents 23% of the programmed spending for the year. The Company expects to disburse close to its target capex spend of about P70 billion by year-end to finance the continued rollout of its aggressive growth plans.

Financial Condition

The Company's balance sheet continues to be solid, with adequate capacity to support its growth plans for 2014 and beyond. Cash and Cash Equivalents stood at P43.45 billion, resulting in a Current Ratio of 1.28: 1. Total Borrowings stood at P108.98 billion from P101.90 billion as of December last year, translating to a Debt-to-Equity Ratio of 1.10: 1 and a Net Debt-to-Equity Ratio of 0.66:1. Return on Equity was at 14% as of end-March 2014.

For your information.

Very truly yours,



Jaime E. Ysmael
*Senior Vice-President,
Chief Finance Officer and
Chief Compliance Officer*

AYALA LAND, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Thousands)

	March 2014 Unaudited	December 2013 As restated
ASSETS		
Current Assets		
Cash and cash equivalents	₱33,252,230	₱27,982,866
Short-term investments	-	-
Financial assets at fair value through profit or loss	10,895,322	13,403,497
Accounts and notes receivable	46,456,716	42,709,104
Inventories	44,571,119	43,572,245
Other current assets	21,100,101	19,319,245
Total Current Assets	156,275,488	146,986,957
Noncurrent Assets		
Noncurrent accounts and notes receivable	18,182,577	17,648,365
Available-for-sale financial assets	306,261	336,261
Land and improvements	67,467,074	62,722,720
Investments in associates and joint ventures	9,958,362	9,318,774
Investment properties	60,076,701	59,183,364
Property and equipment	18,424,652	17,694,470
Deferred tax assets - net	5,441,765	5,161,046
Other noncurrent assets	10,768,379	6,421,728
Total Noncurrent Assets	190,625,771	178,486,728
	₱346,901,259	₱325,473,685
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables	₱94,624,419	₱79,478,164
Short-term debt	16,356,834	12,407,056
Income tax payable	1,453,551	1,056,682
Current portion of long-term debt	3,489,004	3,542,152
Other current liabilities	6,205,898	5,139,153
Total Current Liabilities	122,129,706	101,623,207
Noncurrent Liabilities		
Long-term debt - net of current portion	89,089,004	85,952,677
Pension liabilities	221,807	1,147,484
Deferred tax liabilities - net	1,045,876	1,306,517
Deposits and other noncurrent liabilities	18,523,586	22,507,739
Deferred credits	1,928,068	838,495
Total Noncurrent Liabilities	110,808,341	111,752,912
Total Liabilities	232,938,047	213,376,119

(Forward)

	March 2014 Unaudited	December 2013 As restated
Equity		
Equity attributable to equity holders of		
Ayala Land, Inc.		
Paid-up capital	P44,482,999	P44,455,043
Retained earnings	58,175,432	57,608,700
Stock options outstanding	202,215	198,274
Actuarial loss on pension liabilities	(557,546)	(524,678)
Net unrealized gain on available-for-sale financial assets	17,225	32,105
Equity reserves	(3,529,839)	(3,299,669)
Treasury shares	-	-
	98,790,486	98,469,775
Non-controlling interests	15,172,726	13,627,791
Total Equity	113,963,212	112,097,566
	P346,901,259	P325,473,685

AYALA LAND, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands, Except Earnings Per Share Figures)

	March 2014 Unaudited	March 2013 Unaudited
REVENUE		
Real estate	P19,607,314	P16,715,714
Hotel operations	1,369,544	1,211,776
Interest income	1,132,265	417,915
Equity in net earnings of associates and joint ventures	478,839	69,064
Other income	160,620	100,816
	22,748,582	18,515,285
COSTS AND EXPENSES		
Real estate	13,360,187	10,867,080
Hotel operations	924,880	847,518
General and administrative expenses	1,542,560	1,309,023
Interest and other financing charges	1,142,433	982,284
Other charges	265,624	50,562
	17,235,684	14,056,467
INCOME BEFORE INCOME TAX	5,512,898	4,458,818
PROVISION FOR INCOME TAX		
Current	1,419,845	1,217,320
Deferred	(101,330)	54,944
	1,318,515	1,272,264
NET INCOME	P4,194,383	P3,186,554
Net income attributable to:		
Equity holders of Ayala Land, Inc.	P3,463,717	P2,762,196
Non-controlling interests	730,666	424,358
	P4,194,383	P3,186,554
Earnings Per Share		
Net income attributable to equity holders of Ayala Land, Inc.		
Basic	P0.25	P0.20
Diluted	0.25	0.20