SEC Number: 152-747
File Number: ________

AYALA LAND, INC.

(Company's Full Name)

c/o 30/F, Tower One, Ayala Triangle
Ayala Avenue, Makati City 1226

(Company Address)

(632) 848-5313

(Telephone Number)

June 30, 2009

(Quarter Ending)

SEC Form 17-Q Quarterly Report

(Form Type)

(Amendments)

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **June 30, 2009**

2. Commission Identification Number **152747**

3. BIR Tax Identification No. **050-000-153-790**

4. Exact name of issuer as specified in its charter: **AYALA LAND, INC.**

5. Province, Country or other jurisdiction of incorporation or organization:
   Makati City, Philippines

6. Industry Classification Code: _______ (SEC Use Only)

7. Address of issuer's principal office and postal code:
   c/o 30/F, Tower One, Ayala Triangle, Ayala Avenue, Makati City 1226

8. Issuer's telephone number, including area code: **(632) 848-5313**

9. Former name, former address, former fiscal year: **not applicable**

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

    As of June 30, 2009

Title of each class	Number of shares issued and outstanding
Common shares	**13,001,279,745**

    Amount of Debt Outstanding
    P18.6 billion

11. Are any or all of the securities listed on a Stock Exchange?
    Yes [x] No [ ]

    Stock Exchange: **Philippine Stock Exchange**
    Securities listed: **Common shares**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):

Yes [x] No [ ]

(b) has been subject to such filing requirements for the past 90 days:

Yes [x] No [ ]

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Ayala Land, Inc. and Subsidiaries
Consolidated Balance Sheets
As of June 30, 2009 and December 31, 2008
(in million pesos)

	June 2009 Unaudited	December 2008 Audited
ASSETS		
Current Assets		
Cash and cash equivalents	**16,270**	12,655
Short-term investments	**174**	1,009
Fair value through profit or loss financial assets	**1,044**	1,779
Accounts and notes receivable - net	**16,738**	15,796
Real estate inventories	**6,945**	8,140
Other current assets	**4,780**	4,556
Total Current Assets	**45,950**	43,935
Noncurrent Assets		
Non-current accounts and notes receivable	**1,417**	1,780
Land and improvements	**16,576**	15,942
Investments in associates and jointly controlled entities	**9,820**	9,916
Available-for-sale financial assets	**789**	469
Invesment properties - net	**25,086**	17,483
Property and equipment - net	**3,581**	8,948
Deferred tax assets - net	**790**	795
Other noncurrent assets	**1,177**	1,185
Total Noncurrent Assets	**59,236**	56,518
	105,186	**100,453**
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables	**19,448**	20,654
Short-term debt	**1,526**	1,280
Income tax payable	**164**	89
Current portion of long-term debt	**236**	244
Other current liabilities	**1,759**	1,116
Total Current Liabilities	**23,133**	23,383
Noncurrent Liabilities		
Long-term debt - net of current portion	**16,916**	15,228
Pension liabilities	**137**	99
Deferred tax liabilities - net	**134**	162
Deposits and other noncurrent liabilities	**6,537**	5,601
Deferred credits	**1,333**	937
Total Noncurrent Liabilities	**25,056**	22,027
Total Liabilities	**48,190**	45,410
Equity		
Equity Attributable to Equity Holders of Ayala Land, Inc.		
Paid-up capital	**18,501**	18,358
Retained earnings	**32,852**	31,372
Stock options outstanding	**107**	106
Unrealized gain(loss) on available-for-sale financial assets	**14**	16
Treasury Stock	**(824)**	(824)
	50,651	49,028
Minority interests	**6,346**	6,015
	56,996	55,043
	105,186	**100,453**

Ayala Land, Inc. and Subsidiaries
Consolidated Statements of Income
For the Three Months and Six Months Ended June 30, 2009 and June 30, 2008
(in million pesos, except earnings per share)

	2009 Unaudited		2008 Unaudited	
	April 1 to June 30	January 1 to June 30	April 1 to June 30	January 1 to June 30
REVENUE				
Real estate	**6,335**	**12,970**	6,300	13,030
Hotel operations	**245**	**560**	332	683
Equity in net earnings of investees, interest, fees, investment and other income	**403**	**867**	522	1,671
	6,984	**14,397**	7,155	15,385
COSTS AND EXPENSES				
Real estate	**4,054**	**8,914**	4,314	8,990
Hotel operations	**215**	**431**	218	438
General and administrative expenses	**798**	**1,430**	724	1,312
Interest expense and other financing charges	**474**	**756**	197	483
Other charges	**108**	**173**	26	32
	5,649	**11,704**	5,479	11,254
INCOME BEFORE INCOME TAX	**1,335**	**2,693**	1,676	4,130
PROVISION FOR (BENEFIT FROM) INCOME TAX				
Current	**482**	**672**	598	1,170
Deferred	**(165)**	**(50)**	(115)	(173)
	318	**622**	483	998
NET INCOME	**1,018**	**2,071**	1,193	3,133
Net Income(Loss) Attributable to :				
Equity holders of Ayala Land, Inc.	**964**	**1,870**	**1,079**	**2,909**
Minority interests	**54**	**200**	114	224
	1,018	**2,071**	1,192	3,133
Earnings per Share				
Basic *	**0.07**	**0.14**	0.08	0.22
Diluted **	**0.07**	**0.14**	0.08	0.22

** Based on 13,048,910,220 and 13,034,632,108 weighted average number of shares as of 1H2009 and 1H2008, respectively*

*** Based on 13,065,719,274 and 13,058,259,728 weighted average number of shares as of 1H2009 and 1H2008, respectively*

Ayala Land, Inc. and Subsidiaries
Unaudited Consolidated Statements of Comprehensive Income
(in millions)

	2009 Unaudited		2008 Unaudited	
	April 1 to June 30	January 1 to June 30	April 1 to June 30	January 1 to June 30
NET INCOME FOR THE PERIOD	1,018	2,071	1,192	3,133
Other comprehensive income				
Net unrealized gain(loss) on available-for-sale financial assets	2	(1)	5	5
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1,020**	**2,069**	**1,198**	**3,138**
Total comprehensive income attributable to :				
Equity holders of the parent	966	1,869	1,084	2,914
Minority Interest	54	200	114	224
	1,020	**2,069**	**1,198**	**3,138**

Ayala Land, Inc. and Subsidiaries
Consolidated Statements of Changes in Stockholders' Equity
For the Six Months Ended June 30, 2009 and June 30, 2008
(in million pesos)

	January to June 2009 Unaudited	January to June 2008 Unaudited
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF AYALA LAND, INC.		
CAPITAL STOCK		
Issued		
Balance at beginning of year	13,003	13,003
Issuance of shares	0	0
Stock options exercised	0	0
Stock dividends	0	0
Balance at end of year	13,003	13,003
Subscribed		
Balance at beginning of year	39	32
Issuance of shares	38	0
Stock options exercised	0	0
Balance at end of year	77	32
Preferred Shares - P0.10 par value		
Balance at beginning of year		
Issuance of shares	1,303	1,303
Balance at end of the year	1,303	1,303
ADDITIONAL PAID-IN CAPITAL		
Balance at beginning of year	4,180	3,995
Issuance of shares	152	
Stock options exercised	0	6
IFRS 2- Adjustment on Share-based payment	34	12
Balance at end of year	4,365	4,013
SUBSCRIPTIONS RECEIVABLE		
Balance at beginning of year	(168)	(130)
Subscriptions	(190)	0
IFRS 2-Adjustment on Share-based payments	90	
Collections	14	7
Balance at end of year	(254)	(123)
TOTAL PAID-UP CAPITAL	18,496	18,228
STOCK OPTIONS		
Balance at beginning of year	106	96
Cost of stock options	1	11
Stock options exercised	0	0
Balance at end of year	107	106
TREASURY STOCK	(824)	(1)
RETAINED EARNINGS		
Appropriated for future expansion	6,000	6,000
Unappropriated:		
Balance at beginning of year	25,372	21,405
Cash dividends	(390)	(391)
Net income	1,870	2,909
Balance at end of year	26,852	23,923
	32,852	**29,923**
UNREALIZED LOSS ON AVAILABLE-FOR-SALE FINANCIAL ASSETS FINANCIAL ASSETS	14	(11)
	50,645	**48,245**
MINORITY INTERESTS		
Balance at beginning of year	6,015	5,041
Net income(loss)	200	224
Decrease in minority interests	388	(76)
Dividends paid to minority interests	(257)	0
	6,346	**5,189**
	56,991	**53,434**
Total income and expense recognized for the year		
Net income (loss) attributable to:		
Equity holders of Ayala Land, Inc.	1,870	2,909
Minority Interests	200	224
	2,070	**3,133**

Ayala Land, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2009 and June 30, 2008
(in million pesos)

	January to June 2009 Unaudited	January to June 2008 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**2,693**	**4,130**
Adjustments for:		
Depreciation and amortization	841	585
Interest and other charges - net of amount capitalized	730	513
Gain on sale of investments		(762)
Equity in net earnings of investees	(218)	(556)
Interest and other income	(373)	(279)
Unrealized gain on financial assets	(1)	5
Provision for doubtful accounts	54	0
Operating income before changes in working capital	3,725	3,636
Decrease (increase) in :		
Accounts and notes receivable - trade	(791)	590
Real estate inventories	1,195	(1,162)
Other current assets	(223)	(874)
Increase (decrease) in :		
Accounts and other payables	(223)	2,833
Pension liabilities	38	(4)
Other current liabilities	644	(10)
Cash generated from operations	4,364	5,010
Interest received	445	302
Income tax paid	(1,155)	(1,107)
Interest paid - net of amount capitalized	(717)	(527)
Net cash provided by (used in) operating activities	2,937	3,678
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from:		
Sale of investments		902
Disposals of (additions to):		
Land and improvements	(633)	(718)
Investments	(8,127)	(1,101)
Property and equipment	5,043	(1,039)
Short term investments	1,570	(228)
Decrease (increase) in:		
Noncurrent accounts and notes receivable - non trade	86	(749)
Other assets	13	(632)
Net cash provided by (used in) investing activities	(2,048)	(3,564)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term / long-term loans	2,319	1,223
Payments of short-term / long-term loans	(393)	(974)
Increase (decrease) in :		
Deposits and other noncurrent liabilities	1,303	1,229
Minority interest in consolidated subsidiaries	387	(76)
Proceeds from capital stock subscriptions	144	36
Purchase of treasury shares	0	0
Loss on redemption of preferred shares		
Dividends paid to minority	(257)	0
Dividends paid to equity holders of Ayala Land, Inc.	(779)	(391)
Net cash provided by (used in) financing activities	2,725	1,047
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**3,614**	**1,161**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**12,655**	**11,272**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**16,270**	**12,433**

Ayala Land, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

1. Basis of Financial Statement Preparation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting.* Accordingly, the unaudited condensed consolidated financial statements do not include all of the information and disclosures required in the December 31, 2008 annual audited consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as of and for the year ended December 31, 2008.

The preparation of the financial statements in compliance with Philippine Financial Reporting Standards (PFRS) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The estimates and assumptions used in the accompanying unaudited condensed consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the unaudited condensed consolidated financial statements. Actual results could differ from such estimates.

The unaudited condensed consolidated financial statements include the accounts of Ayala Land, Inc. (herein referred to as "the Company) and its subsidiaries collectively referred to as "Group."

The unaudited condensed consolidated financial statements are presented in Philippine peso (Php), the Group's functional currency, and rounded to the nearest thousands except when otherwise indicated.

On August 7, 2009, the Audit Committee approved and authorized the release of the accompanying unaudited condensed consolidated financial statements of Ayala Land, Inc. and subsidiaries.

2. Accounting Policies

Changes in Accounting Policies
The accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2008, except for the adoption of new Standards and Interpretations enumerated below.

- PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
  It allows an entity, in its separate financial statements, to determine the cost of investments in subsidiaries, jointly controlled entities or associates (in its opening PFRS financial statements) as one of the following amounts: a) cost determined in accordance with PAS 27, *Consolidated and Separate Financial Statements*; b) at the fair value of the investment at the date of transition to PFRS, determined in accordance with PAS 39; or c) previous carrying amount (as determined under generally accepted accounting principles) of the investment at the date of transition to PFRS.

- Amendment to PFRS 2, *Share-based Payment - Vesting Condition and Cancellations*
  The Standard has been revised to clarify the definition of a vesting condition and prescribes the treatment for an award that is effectively cancelled. It defines a vesting condition as a condition

that includes an explicit or implicit requirement to provide services. It further requires nonvesting conditions to be treated in a similar fashion to market conditions. Failure to satisfy a nonvesting condition that is within the control of either the entity or the counterparty is accounted for as cancellation. However, failure to satisfy a nonvesting condition that is beyond the control of either party does not give rise to a cancellation.

- PFRS 8, *Operating Segments*
  It will replace PAS 14, *Segment Reporting*, and adopts a full management approach to identifying, measuring and disclosing the results of an entity's operating segments. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. Such information may be different from that reported in the consolidated balance sheet and consolidated statement of income and the Group will provide explanations and reconciliations of the differences. This standard is only applicable to an entity that has debt or equity instruments that are traded in a public market or that files (or is in the process of filing) its consolidated financial statements with a securities commission or similar party.

- Amendment to PAS 1, *Presentation of Financial Statements*
  It introduces a new statement of comprehensive income that combines all items of income and expenses recognized in the profit or loss together with 'other comprehensive income' (OCI). Entities may choose to present all items in one statement, or to present two linked statements, a separate statement of income and a statement of comprehensive income. This Amendment also requires additional requirements in the presentation of the consolidated balance sheets and equity as well as additional disclosures to be included in the consolidated financial statements. Adoption of this Amendment will not have significant impact on the Group except for the presentation of a statement of comprehensive income and additional disclosures to be included in the consolidated financial statements.

- Amendment to PAS 23, *Borrowing Costs*
  The Standard has been revised to require capitalization of borrowing costs when such costs relate to a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

- Amendments to PAS 27, *Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
  These Amendments, introduce changes in respect of the holding companies' separate financial statements, including, (a) the deletion of 'cost method', making the distinction between pre- and post-acquisition profits no longer required; and (b) in cases of reorganizations where a new parent is inserted above an existing parent of the group (subject to meeting specific requirements), the cost of the subsidiary is the previous carrying amount of its share of equity items in the subsidiary rather than its fair value. All dividends will be recognized in the consolidated statement of income. However, the payment of such dividends requires the entity to consider whether there is an indicator of impairment.

- Amendment to PAS 32, *Financial Instruments: Presentation* and PAS 1, *Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation*
  These Amendments, specify, among others, that puttable financial instruments will be classified as equity if they have all of the following specified features: (a) the instrument entitles the holder to require the entity to repurchase or redeem the instrument (either on an ongoing basis or on liquidation) for a pro-rata share of the entity's net assets; (b) the instrument is in the most

subordinate class of instruments, with no priority over other claims to the assets of the entity on liquidation; (c) all instruments in the subordinate class have identical features; (d) the instrument does not include any contractual obligation to pay cash or financial assets other than the holder's right to a pro-rata share of the entity's net assets; and (e) the total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, a change in recognized net assets, or a change in the fair value of the recognized and unrecognized net assets of the entity over the life of the instrument.

- Philippine Interpretation IFRIC 13, *Customer Loyalty Programmes*
  This Interpretation requires customer loyalty award credits to be accounted for as a separate component of the sales transaction in which they are granted and therefore part of the fair value of the consideration received is allocated to the award credits and realized in income over the period that the award credits are redeemed or expire.

- Philippine Interpretation IFRIC 16, *Hedges of a Net Investment in a Foreign Operation*
  It provides guidance on identifying foreign currency risks that qualify for hedge accounting in the hedge of net investment; where within the group, the hedging instrument can be held in the hedge of a net investment; and how an entity should determine the amount of foreign currency gains or losses, relating to both the net investment and the hedging instrument, to be recycled on disposal of the net investment.

Improvements to PFRS

- PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations*
  When a subsidiary is held for sale, all of its assets and liabilities will be classified as held for sale under PFRS 5, even when the entity retains a noncontrolling interest in the subsidiary after the sale.

- PAS 1, *Presentation of Financial Statements*
  Assets and liabilities classified as held for trading are not automatically classified as current in the consolidated balance sheet.

- PAS 16, *Property, Plant and Equipment*
  This Amendment replaces the term 'net selling price' with 'fair value less costs to sell', to be consistent with PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations* and PAS 36, *Impairment of Asset.*

  Items of property and equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases and they are held for sale. Proceeds of such sales are subsequently shown as revenue. Cash payments on initial recognition of such items, the cash receipts from rents, and subsequent sales are all shown as cash flows from operating activities.

- PAS 19, *Employee Benefits*
  This revises the definition of 'past service cost' to include reduction in benefits related to past services ('negative past service cost') and to exclude reduction in benefits related to future services that arise from plan amendments. Amendments to plans that results in a reduction in benefits related to future services are accounted for as a curtailment.

It revises the definition of 'return on plan assets' to exclude plan administration costs if they have already been included in the actuarial assumptions used to measure the defined benefit obligation.

It also revises the definition of 'short-term' and 'other long-term' employee benefits to focus on the point in time at which the liability is due to be settled and it deletes the reference to the recognition of contingent liabilities to ensure consistency with PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*.

- PAS 20, *Accounting for Government Grants and Disclosures of Government Assistance*
  Loans granted with no or low interest rates will not be exempt from the requirement to impute interest. The difference between the amount received and the discounted amount is accounted for as a government grant.

- PAS 23, *Borrowing Costs*
  This revises the definition of borrowing costs to consolidate the types of items that are considered components of 'borrowing costs', i.e., components of the interest expense calculated using the effective interest rate method.

- PAS 28, *Investments in Associates*
  If an associate is accounted for at fair value in accordance with PAS 39, only the requirement of PAS 28 to disclose the nature and extent of any significant restrictions on the ability of the associate to transfer funds to the entity in the form of cash or repayment of loans applies.

  An investment in an associate is a single asset for the purpose of conducting the impairment test. Therefore, any impairment test is not separately allocated to the goodwill included in the investment balance.

- PAS 29, *Financial Reporting in Hyperinflationary Economies*
  This revises the reference to the exception that assets and liabilities should be measured at historical cost, such that it notes property and equipment as being an example, rather than implying that it is a definitive list.

- PAS 31, *Interests in Joint Ventures*
  If a joint venture is accounted for at fair value, in accordance with PAS 39, only the requirements of PAS 31 to disclose the commitments of the venturer and the joint venture, as well as summary financial information about the assets, liabilities, income and expense will apply.

- PAS 36, *Impairment of Assets*
  When discounted cash flows are used to estimate 'fair value less costs to sell', additional disclosure is required about the discount rate, consistent with disclosures required when the discounted cash flows are used to estimate 'value in use'.

- PAS 38, *Intangible Assets*
  Expenditure on advertising and promotional activities is recognized as an expense when the Company either has the right to access the goods or has received the services. Advertising and promotional activities now specifically include mail order catalogues.

  It deletes references to there being rarely, if ever, persuasive evidence to support an amortization method for intangible assets with finite lives that results in a lower amount of accumulated amortization than under the straight-line method, thereby effectively allowing the use of the unit-of-production method.

- PAS 39, *Financial Instruments: Recognition and Measurement*
  Changes in circumstances relating to derivatives, specifically derivatives designated or de-designated as hedging instruments after initial recognition, are not reclassifications.

  When financial assets are reclassified as a result of an insurance company changing its accounting policy in accordance with paragraph 45 of PFRS 4, *Insurance Contracts*, this is a change in circumstance, not a reclassification.

  It removes the reference to a 'segment' when determining whether an instrument qualifies as a hedge.

  Requires use of the revised effective interest rate (rather than the original effective interest rate) when remeasuring a debt instrument on the cessation of fair value hedge accounting.

- PAS 40, *Investment Properties*
  It revises the scope (and the scope of PAS 16) to include property that is being constructed or developed for future use as an investment property. Where an entity is unable to determine the fair value of an investment property under construction, but expects to be able to determine its fair value on completion, the investment under construction will be measured at cost until such time as fair value can be determined or construction is complete.

- PAS 41, *Agriculture*
  It removes the reference to the use of a pre-tax discount rate to determine fair value, thereby allowing use of either a pre-tax or post-tax discount rate depending on the valuation methodology used.

  It removes the prohibition to take into account cash flows resulting from any additional transformations when estimating fair value. Instead, cash flows that are expected to be generated in the 'most relevant market' are taken into account.

3. Principles of Consolidation

The consolidated financial statements represent the consolidation of the financial statements of Ayala Land, Inc. (ALI) and the following wholly owned and majority owned subsidiaries:

	Effective Ownership (%)
Real Estate:	
Amorsedia Development Corporation and Subsidiaries	100
OLC Development Corporation	100
Ayala Greenfield Development Corporation (AGDC)	50
Avida Land Corporation and Subsidiaries (Avida)	100
Ayala Land International Sales, Inc.	100
Ayala Land Sales, Inc.	100
Buendia Landholdings, Inc.	100
Alveo Land Corporation (formerly Community Innovations, Inc.)	100
Crans Montana Property Holdings Corporation	100
Crimson Field Enterprises, Inc.	100

Red Creek Properties, Inc.	100
Regent Time International, Limited (Regent) (British Virgin Islands)	100
Ecoholdings Company, Inc.	100
NorthBeacon Commercial Corporation (NBCC)	100
ALI Property Partners Holding Corp. (APPHC)	80
ALI Property Partners Corp. (APPCo)	60
ALI Property Partners Corp. (APPCo)	20
Laguna Technopark, Inc.	75
Aurora Properties Incorporated	70
Vesta Property Holdings, Inc.	70
Station Square East Commercial Corporation (SSECC)	69
Serendra, Inc.	67
Ceci Realty, Inc.	60
CMPI Holdings, Inc.	60
Asian I-Office Properties, Inc. (AiO)	60
Accendo Commercial Corp.	51
ALI-CII Development Corporation (ALI-CII)	50
Roxas Land Corporation (RLC)	50
Construction:	
Makati Development Corporation (MDC)	100
Hotels:	
Ayala Hotels, Inc. (AHI) and Subsidiaries	50
Enjay Hotels, Inc.	100
Cebu Insular Hotel Company, Inc.	63
Property Management:	
Ayala Property Management Corporation (APMC)	100
Ayala Theatres Management, Inc. and Subsidiaries	100
Entertainment:	
Five Star Cinema, Inc.	100
Leisure and Allied Industries Philippines, Inc. (LAI)	50
Others:	
ALInet.com, Inc. (ALInet)	100
First Longfield Investments Limited (First Longfield) (Hongkong Company)	100
Food Court Company, Inc.	100

4. Receivables / Payables

Aging of Receivables (as of June 30, 2009; in Million Pesos)

	Up to 6 mos.	Over 6 mos. to One Year	Over One Year	Past Due	Total
Trade Receivables	7,405	4,870	884	380	13,539
Non-Trade Receivables	3,851	231	534	0	4,616
Total	11,256	5,101	1,418	380	18,155

Aging of Payables (as of June 30, 2009; in Million Pesos)

	Up to 6 mos.	Over 6 mos. to One Year	Over One Year	Past Due	Total
Trade Payables	5,488	4,405	1,798	9	11,700
Non-Trade Payables	10,146	1,323	6,343	0	17,812
Total	15,634	5,728	8,141	9	29,512

5. Short-Term and Long-Term Debt

Short-Term Debt (as of June 30, 2009; in Million Pesos)

Borrower	Amount
ALI	215
AGDC	50
Avida	597
LAI	300
SSECC	364
Total	**1,526**

Long-Term Debt (as of June 30, 2009; in Million Pesos / US$)

	Current		Non-Current		Total	
Borrower	Peso	US$	Peso	US$	Peso	US$
ALI	-		9,380		9,380	
AiO	-		425		425	
Avida	4		496		500	
CIHC	35		315		350	
EHI	42		243		285	
FGREC	9		256		265	
GDI	-		225		225	
LAI	55		115		170	
NBCC	8		993		1,000	
ODRPHI	36		1,062		1,097	
SSECC	49		1,606		1,655	
UPI	-		1,800		1,800	
Total	**236**		**16,916**		**17,152**	

* *Including bonds and FXCNs*

Issuances, Repurchases and Repayments of Debt and Equity Securities

Issuances of Debt and Equity Securities / New Financing through Loans –
January – June 2009 (in Million Pesos)

Borrower	Amount	Nature
ALI	2,603	issuance of Homestarter bonds and Fixed Rate Corporate Notes; new short-term loan
Avida	200	availment of short-term loans
SSECC	100	availment of short-term loans
ODRPDI	37	availment of long-term loan
LAI	10	availment of short-term loans
UPI	5	availment of long-term loan
Total	2,955	

Repayments of Debt and Equity Securities –
January – June 2009 (in Million Pesos)

Borrower	Amount	Nature
ALI	693	maturity of Homestarter Bonds and prepayment of Fixed Rate Corporate Notes
SSECC	201	payment of matured short-term loans and amortization on long-term loans
AGDC	78	payment of matured short-term loans
LAI	45	payment of matured short-term loans and amortization on long-term loan
EHI	8	amortization on long-term loan
ODRPDI	3	amortization on long-term loan
FGREC	1	amortization on long-term loan
Total	1,029	

6. Commercial Paper Issuances and Outstanding Balance (for the quarter ended June 30, 2009)

None.

7. Accounts and Other Payables

The accounts and other payables as of June 30, 2009 is broken down as follows:

	(million)
Accounts payable	P 11,723
Accrued expenses	5,980
Taxes payable	1,490
Dividends payable	5
Retentions payable	251
Total	P 19,448

8. Segment information

YTD-June 2009	Strategic Landbank Mgt.	Residential Development	Shopping Centers	Corporate Business	Geographic Businesses	Support Businesses	Corporate	Total	Intersegment Adjustments	Consolidated
(in million pesos)										
Revenues										
Sales to external customers	665	6,851	2,215	788	105	2,907	0	13,531		13,531
Intersegment sales	253	123	205	0	0	3,652	0	4,233	(4,233)	0
Equity in net earnings of investees	96	0	75	0	47	0	0	218		218
Total revenue	1,014	6,974	2,495	788	152	6,559	0	17,982	(4,233)	13,749
Operating expenses	773	5,487	1,395	472	127	6,158	313	14,725	(3,950)	10,775
Operating profit	241	1,487	1,100	316	25	401	(313)	3,257	(283)	2,974
Interest income										392
Interest expense										(756)
Other income(expense)										83
Provision for income tax										(622)
Net income										2,071
Net income attributable to:										
Equity holders of Ayala Land, Inc.										1,871
Minority interests										200
										2,071
Other information										
Segment assets	15,017	57,264	21,249	18,343	3,865	11,133	7,688	134,558	(30,162)	104,396
Investment in associates and jointly controlled entities	0	0	0	0	0	0	0	0		0
Deferred tax assets	199	53	29	19	0	39	918	1,257	(467)	790
Total assets	15,216	57,317	21,278	18,362	3,865	11,172	8,606	135,815	(30,629)	105,186
Segment liabilities	2,416	18,743	7,895	5,512	285	8,005	11,240	54,096	(6,040)	48,056
Deferred tax liabilities	0	135	0	2	0	6	458	601	(467)	134
Total liabilities	2,416	18,878	7,895	5,514	285	8,011	11,698	54,697	(6,507)	48,190
Segment additions to property and equipment and investment properties	386	211	447	7	0	62	60	1,173	0	1,173
Depreciation and amortization	6	35	468	139	1	130	61	840	0	840

YTD-June 2008	Strategic Landbank Mgt.	Residential Development	Shopping Centers	Corporate Business	Geographic Businesses	Support Businesses	Corporate	Total	Intersegment Adjustments	Consolidated
(in million pesos)										
Revenues										
Sales to external customers	337	7,025	2,111	428	60	3,752	0	13,713	0	13,713
Intersegment sales	0	172	184	0	0	3,361	0	3,717	(3,717)	0
Equity in net earnings of investees	361	0	48	0	142	0	5	556	0	556
Total revenue	698	7,197	2,343	428	202	7,113	5	17,986	(3,717)	14,269
Operating expenses	334	5,599	1,151	222	85	6,503	388	14,282	(3,543)	10,739
Operating profit	364	1,598	1,192	206	117	610	(383)	3,704	(174)	3,530
Interest income										1,066
Interest expense										(515)
Other income										49
Provision for income tax										(997)
Net income										3,133
Net income attributable to:										
Equity holders of Ayala Land, Inc.										2,909
Minority interests										224
										3,133
Other information										
Segment assets	14,918	46,138	19,854	10,062	4,026	8,875	10,294	114,167	(25,887)	88,280
Investment in associates and jointly controlled entities	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	111	16	10	0	0	49	1,396	1,582	0	1,582
Total assets	15,029	46,154	19,864	10,062	4,026	8,924	11,690	115,749	(25,887)	89,862
Segment liabilities	2,551	14,261	6,570	979	206	7,799	9,673	42,039	(6,538)	35,501
Deferred tax liabilities	0	306	0	0	0	0	602	908	0	908
Total liabilities	2,551	14,567	6,570	979	206	7,799	10,275	42,947	(6,538)	36,409
Segment additions to property and equipment and investment properties	0	17	266	4	2	132	28	449	0	449
Depreciation and amortization	0	37	340	49	1	104	54	585	0	585

Item 2. Management's Discussion on Results of Operations and Analysis of Financial Condition

Results of Operations for the Six Months Ended June 30, 2009

Ayala Land, Inc. (ALI or "the Company") recorded consolidated revenues of Php14.4 billion in the first half of 2009, 6% lower than the Php15.38 billion posted in the same period last year. Real estate and hotel operation revenues however declined by only 1% to Php13.53 billion as a result of the strong recovery of the Residential business in the second quarter. However, the absence of a large transaction this year compared to the sale of shares in three subsidiaries that generated Php762 million in pre-tax capital gains in the first half of 2008, continued to account for the bulk of the revenue decline.

Consolidated net operating income (NOI) reached Php4.19 billion in the first half of 2009, a 2% decline compared with the same period last year. Overall NOI margins meanwhile improved from 27% in the first quarter of 2009 to 34% in the second quarter, enabling year-to-date margins for the first half of 2009 to remain flat year-on-year at 31%. Strong cost control efforts in the Residential and Construction businesses drove margin gains and offset the slight decline in Shopping Center and Corporate Business margins which all incurred additional start-up related costs in their operation of new projects.

As a result, the Company's core net income after tax for the second quarter reached PhP964 million, 6% higher than the Php907 million achieved in the first quarter of the year (net of the net income impact of large transactions). The improving performance allowed the Company to post a first half 2009 core profit of Php1.87 billion, just 16% lower than the Php2.22 billion in core earnings recorded in the same period last year compared with 21% lower year-on-year for the first quarter of 2009.

Business Segments

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

Residential Development. Residential Development revenues amounted to Php6.85 billion in the first half of 2009, 2% lower than the Php7.02 billion posted in the same period last year. The Company's middle-income and affordable brands Alveo and Avida posted growths of 1% and 4% respectively, as a higher percentage of completion on projects under construction offset the decline in new bookings. Meanwhile, Ayala Land Premier (ALP) revenues registered a decline of 8% as the strong recovery in the second quarter was not able to fully offset the drop in bookings in the first quarter of 2009. The Residential business remained as the single biggest contributor to the Company's NOI, accounting for 48% of total. NOI margins meanwhile remained flat year-on-year at 29% as strong cost control efforts, project savings on completed vertical projects and a booking mix biased more toward high-margin lots in the second quarter allowed NOI margins to improve from 23% in the first quarter to 34% in the second quarter of 2009.

Shopping Centers. Total revenues for Shopping Centers rose by 5% to Php2.21 billion during the first six months of 2009. This was driven by the strong performance of Market! Market! as well as the net expansion in gross leasable area (GLA) from new malls Greenbelt 5 and Glorietta 5. Blended occupancy rates for all malls remained high at 92% with continued ramp-up in TriNoma, Greenbelt 5 and Glorietta 5 expected to bring this up further. The Company's value-oriented anchor tenants also performed well with double digit increases in same-store sales growth. NOI for Shopping Centers slightly declined by 2% to Php1.19 billion and accounted for

28% of the Company's total NOI. NOI margins were likewise slightly lower at 54% compared with 57% in the same period last year as the partial closure of high-margin Glorietta 1 was not fully offset by the ramping up operations of Greenbelt 5 and Glorietta 5.

Corporate Business. Revenues from Corporate Business amounted to Php788 million in the first half, 84% higher than the same period last year, as the contribution of new BPO buildings that became operational in the second half of last year and early this year kicked-in. The Company's BPO office portfolio reached a total of 216,917 square meters of GLA as of end-June 2009, 158% higher compared with the first half last year. Revenues were also boosted by average BPO lease rates that grew by 33% to Php566 per square meter and occupancy rates that improved to 58% from 55% last year. This is expected to improve to 71% with the rental commencement of committed tenants still undergoing the fit-out process. Average lease rates for the Company's headquarter buildings also increased by 9% to Php806 per square meter while occupancy rates remained high at 97%. The expansion of the BPO portfolio also accounted for the bulk of the growth in NOI, which went up to Php414 million or 53% up year-on-year, and which accounted for 10% of total. NOI margins, however, dropped to 53% from 63% as a result of the higher costs associated with the start-up operations of the new BPOs but is expected to recover in future reporting periods.

Strategic Landbank Management. Revenues of the Strategic Landbank Management Group (SLMG) nearly doubled in the first six months of the year to Php666 million, largely due to the significant construction completion of its share in booked NUVALI sales. NOI likewise increased by 39% year-on-year to Php138 million from Php99 million last year and contributed 5% of total. However, NOI margins dropped to 21% from 29% in the same period last year due to the one-off expenses related to the grand public launch of NUVALI last April 2009 that coincided with the opening of the Evoliving Center and lakeside retail spaces.

Visayas-Mindanao. Visayas-Mindanao's revenues improved by 74% to Php105 million in the first half of 2009 from Php60 million during the same period last year. Most of the revenue growth came from higher bookings and percentage completion from booked units in Plantazionne Verdana Homes (PVH). NOI contribution was Php0.7 million, less than 1% of total.

Support Businesses. The Support Businesses, namely Construction, Property Management and Hotels, generated combined revenues (net of inter-company eliminations) of Php2.91 billion during the first half of the year, 23% lower than the Php3.75 billion posted in the same period last year largely due to the winding down of external construction projects. Total NOI for the support businesses in aggregate also dropped by 34%. While aggregate NOI margins for the Support Businesses were lower at 15% from 18% in the same period last year, these began to reflect a recovery in construction margins in the second quarter of 2009 due to strong project cost control initiatives.

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

Equity in Net Earnings from Investees dropped 61% to Php218 million in the first half of 2009 from Php556 million in the same period last year largely due to the decline in equity earnings from Fort Bonifacio Development Corporation (FBDC) and Cebu Holdings, Inc. (CHI). FBDC had fewer lot sales this year while there were no lot sales in Cebu Business Park and Asiatown IT Park, negating the improved performance of shopping center joint ventures accounted for under the equity method which includes TriNoma, Alabang Town Center and Ayala Center Cebu. Meanwhile, Interest, Investment and Other Income was lower by 42% to Php648 million in the first half, compared with the Php1.12 billion posted in the same period last year. Higher management fees and interest income in the first half of 2009 were not enough to compensate for the absence of capital gains from a large transaction similar to the sale of shares in wholly-owned subsidiaries Piedmont Property Ventures, Inc., Stonehaven Land, Inc. and Streamwood Property, Inc. last year.

Expenses

Total expenses amounted to Php11.70 billion, 4% more than the Php11.25 billion spent in the first half of 2008. Cost of Sales from Real Estate and Hotels, which accounted for the bulk at Php9.3 billion, declined by 1% year-on-year, in line with Real Estate and Hotel revenues. General and Administrative Expenses (GAE) meanwhile increased by 9% to Php1.43 billion, largely due to the consolidation of expenses related to new subsidiary ALI Property Partners Holdings Corporation (APPHC), which is the holding company for some of ALI's new BPO related investments. Interest Expense and Other Financing Charges went up by 80% to Php929 million due to higher average loan balances for the first half of 2009 compared with the same period last year.

Project and Capital Expenditures

ALI spent a total of Php7.1 billion for project and capital expenditures in the first half of 2009, 10% less than the Php7.9 billion spent during the same period in 2008. Residential Development accounted for the bulk of total or 68%. The Php7.1 billion spent in the first half represents 41% of the full year capital expenditure budget of Php17.4 billion. The Company expects to complete its committed projects for the year on schedule with any variances in actual capital expenditure spent by year-end 2009 accounted for by timing differences on cash disbursements

Financial Condition

The Company's balance sheet remains robust and healthy with significant liquidity for project delivery and possible acquisitions. Cash and Cash Equivalents stood at Php17.5 billion with a Current Ratio of 1.99: 1. Total Borrowings stood at Php18.7 billion from Php16.8 billion as of December last year, translating to a Debt-to-Equity Ratio of 0.37: 1 and a Net Debt-to-Equity Ratio of 0.02: 1. ALI was able to raise Php2.4 billion in Fixed Rate Corporate Notes in January 2009 and secured a Php1.0 billion Floating Rate Corporate Note facility in April 2009. It also had a non-recourse sale of Php1.2 billion worth of installment receivables in April. The Company has effectively been managing its debt profile, with 92% in long-term debt and an average borrowing rate of 8.2% for 85% of its loans. The Company's borrowings carry an average maturity tenor of 5 years.

Causes for any material changes *(+/- 5% or more)* in the financial statements

Income Statement items – 1H 2009 versus 1H 2008

18% decline in hotel operations revenues
Mainly due to the lower occupancy rate of Hotel InterContinental Manila and Cebu City Marriott.

48% decrease in equity in net earnings of investees, interest, fees, investment and other income
Largely due to lower income from Fort Bonifacio Development Corporation and Cebu Holdings, Inc., and the absence of large transactions during the period against the sale of shares in Piedmont Property Ventures, Inc., Stonehaven Land, Inc. and Streamwood Property, Inc. in March 2008.

9% increase in general and administrative expenses
Primarily due to consolidation of ALI Property Partners Holding Corp. (APPHC) and additional provision for doubtful accounts mainly from Shopping Centers.

56% increase in interest expense and other financing charges
Principally due to higher level of debt.

445% increase in other charges
Mainly due to charges incurred from the sale of accounts receivable.

38% decrease in provision for income tax
Mainly due to the lower taxable income during the period and reduction in income tax rate to 30%.

11% decrease in net income attributable to minority interests
Largely due to decline in income Ayala Hotels, Inc. (AHI) and Leisure and Allied Industries Philippines, Inc. (LAI).

Balance Sheet items – June 30, 2009 versus End-2008

29% increase in cash and cash equivalents
Largely due to proceeds from issuance of privately placed Fixed Rate Corporate Notes in January 2009 and Floating Rate Corporate Notes in April 2009, and the sale of installment receivables in April.

56% decrease in short-term investments and fair value through profit or loss financial assets
Mainly due to maturity of government securities.

6% increase in accounts and notes receivable
Mainly due to receivables recognized by Aurora Properties, Vesta Property Holdings and Alveo Land.

15% decrease in real estate inventories
Mainly due to sale of Avida residential units and land sales from Ceci Realty and Vesta Property Holdings.

5% increase in other current assets
Mainly due to increase in input VAT and higher prepaid annual real property tax.

20% decline in non-current accounts and notes receivable
Primarily due to lower receivables of Serendra Inc. and reclassification of money market placements with a term of more than one year to short-term investment.

68% increase in investments in associates and jointly controlled entities
Primarily due to new investments in fixed income securities and valuation of Ayala Corporation preferred shares.

43% increase in investment properties
Largely due to the reclassification of operational and completed buildings from property and equipment to investment in buildings, and additional disbursements related to the construction of San Lazaro Vertex, Greenbelt 5 Phase 2, Ayala Center Redevelopment and MarQuee Mall.

60% decrease in property and equipment
Primarily due to the reclassification of operational and completed buildings from property and equipment to investment properties.

6% decrease in accounts and other payables
Largely due to decrease in trade and taxes payable.

19% increase in short-term debt
Largely due to ALI Parent's new availment of short-term loans.

84% increase in income tax payable
Primarily due to higher creditable withholding tax recognized by Alveo Land and Ceci Realty in 2008.

58% increase in other current liabilities
Largely due to the increase in customer deposits of Serendra Inc. as a result of the sale of accounts receivable.

11% increase in long-term debt – net of current portion
Mainly due to the increase in Fixed Rate Corporate Notes (FXCNs) and debt of APPHC added as a result of consolidation, net of maturing loans from AHI, LAIPI and SSECC.

39% increase in pension liabilities
Primarily due to adjustments made to reflect latest actuarial valuation.

17% decrease in deferred tax liabilities
Primarily due to the shift in the corporate tax rate from 35% to 30%.

17% increase in deposits and other non-current liabilities
Primarily due to increase in security and customer deposits.

42% increase in deferred credits
Mainly due to unearned rent and management fees.

5% increase in retained earnings
Mainly due to the increase in income.

9% decrease in unrealized gain on available-for-sale financial assets
Mainly due to market valuation of shares in Cebu Holdings Inc. that is recognized by Avida.

5% increase in minority interest in net assets of subsidiaries
Largely attributed to Accendo Commercial Corp. and APPHC.

PART II - OTHER INFORMATION

Item 3. 2Q 2009 Developments

A. New project or investments in another line of business or corporation	None.
B. Composition of Board of Directors (as of June 30, 2009)	Fernando Zobel de Ayala — Chairman Jaime Augusto Zobel de Ayala II — Vice Chairman Jaime I. Ayala — President & CEO Mercedita S. Nolledo — Corp. Secretary Francis G. Estrada — Director Delfin L. Lazaro — Director Aurelio R. Montinola III — Director Corazon dela Paz - Bernardo — Director Oscar S. Reyes — Director
C. Performance of the corporation or result/progress of operations	Please see unaudited consolidated financial statements and management's discussion on results of operations.
D. Declaration of dividends	P0.03 cash dividend Declaration date: May 12, 2009 Record date: June 11, 2009 Payment date: June 30, 2009
E. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements	None.
F. Offering of rights, granting of Stock Options and corresponding plans therefore	ALI has stock option plans for key officers (Executive Stock Option Plan - ESOP) and employees (Employee Stock Option Plan (ESOWN) covering 2.5% of the company's authorized capital stock. In 2005, the company introduced a revised ESOWN granted to qualified officers. As of June 30, 2009, stock options outstanding* are as follows: ESOP 40,703,341 shares ESOWN 79,051,843 shares 119,755,184 shares ** outstanding shares pertain to shares subscribed by officers and employees which are not yet fully paid and not yet issued*
G. Acquisition of additional mining claims or other capital assets or patents, formula, real estate	None.

H. Other information, material events or happenings that may have affected or may affect market price of security	None.
I. Transferring of assets, except in normal course of business	None.

Item 4. Other Notes to 1H 2009 Operations and Financials

J. Nature and amount of items affecting assets, liabilities, equity, or net income that are unusual because of their nature, size, or incidents	Please see Notes to Financial Statements (Item #7).
K. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period	None.
L. New financing through loans / Issuances, repurchases, and repayments of debt and equity securities	Please see Notes to Financial Statements (Item #4).
M. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period	None.
N. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations	None.
O. Changes in contingent liabilities or contingent assets since the last annual balance sheet date	None.
P. Other material events or transactions during the interim period	- Issuance in January of privately placed Fixed Rate Corporate Notes worth Php2.38 billion, with three tranches of five, seven and ten-year maturities at 7.7553% 8.4547% and 8.9%, respectively. - Obtained financing facility in April in the form of privately placed Floating Rate Corporate Notes worth Php1.00 billion, with a maturity of seven years. - Board approval of the issuance of the Ayala Land Homestarter Bond with an issue size of up to Php504 million.

Q. Existence of material contingencies during the interim period; events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation	None.
R. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period	None.
S. Material commitments for capital expenditures, general purpose and expected sources of funds	For year 2009, Ayala Land's consolidated budget for project and capital expenditures amount to P17.4 billion. About 50% is earmarked for residential developments, 17% for strategic landbank management, 13% for shopping centers, and the balance for corporate business, Visayas-Mindanao, and support businesses. This will be financed through a combination of internally-generated funds, borrowings, pre-selling, and with proceeds from sale of accounts receivable. For the first six months of 2009, consolidated project and capital expenditures amounted to P7.1 billion, about 41% of the P17.4 billion budget for the whole year. About 68% was spent for residential projects, 11% for geographic businesses, 9% for corporate business and 8% each for shopping centers and strategic landbank management.
T. Known trends, events or uncertainties that have had or that are reasonably expected to have impact on sales/revenues/ income from continuing operations	Ayala Land's performance will continue to hinge on the overall economic performance of the country. Interest rate movements may affect the performance of the real estate industry, including the Company.
U. Significant elements of income or loss that did not arise from continuing operations	None.
V. Causes for any material change/s from period to period in one or more line items of the financial statements	Please see Notes to Financial Statements (Item #7).

W. Seasonal aspects that had material effect on the financial condition or results of operations

ALI's leasing portfolio generates a fairly stable stream of revenues throughout the year, with higher sales experienced in the fourth quarter from shopping centers due to holiday spending.

The Company's development operations do not show any seasonality. Projects are launched anytime of the year depending on several factors such as completion of plans and permits and appropriate timing in terms of market conditions and strategy. Development and construction work follow target completion dates committed at the time of project launch.

X. Disclosures not made under SEC Form 17-C

None.

Item 5. Performance Indicators

The table below sets forth the comparative performance indicators of the Company and its majority-owned subsidiaries:

	End-June 2009	*End-December 2008*
Current ratio [1]	1.99:1	1.89:1
Debt-to-equity ratio [2]	0.37:1	0.34:1
	1H 2009	*2008*
Return on assets [3]	3.6% [5]	5.2%
Return on equity [4]	7.5% [5]	10.2%

[1] *Current assets / current liabilities*
[2] *Total interest-bearing debt (inclusive of bonds) / stockholders' equity*
[3] *Net income / average total assets*
[4] *Net income / average stockholders' equity*
[5] *1H09 NIAT annualized/average of end June-09 and end Dec-08 assets and equity*

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer: **AYALA LAND, INC.**

By:

Jaime E. Ysmael
Senior Vice President and Chief Finance Officer

Date: August 7, 2009