SEC Number: 152-747
File Number: ________

AYALA LAND, INC.

(Company's Full Name)

31F, Tower One, Ayala Triangle
Ayala Avenue, Makati City 1226

(Company Address)

(632) 7908-3111

(Telephone Number)

March 31, 2020

(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 **March 31, 2020**

2. Commission Identification Number **152747**

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

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:
   31F, Tower One, Ayala Triangle, Ayala Avenue, Makati City 1226

8. Issuer's telephone number, including area code: **(632) 7908-3111**

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 March 31, 2020

Title of each class	Number of shares issued and outstanding
Common shares	**14,745,334,847**
Preferred shares	**13,066,494,759**

Amount of Debt Outstanding
₱114,650,000,000.00

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

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Millions)

	March 2020 Unaudited	December 2019 Audited
ASSETS		
Current Assets		
Cash and cash equivalents (note 4)	**₱21,734**	₱20,413
Short-term investments (note 5)	**1,018**	617
Financial assets at fair value through profit or loss (note 6)	**470**	485
Accounts and notes receivable (note 7)	**104,056**	105,039
Inventories (note 8)	**118,763**	120,288
Other current assets (note 9)	**52,415**	48,592
Total Current Assets	**298,456**	295,434
Noncurrent Assets		
Noncurrent accounts and notes receivable	**45,949**	45,564
Financial assets at fair value through other comprehensive income	**1,522**	1,529
Investments in associates and joint ventures (note 10)	**25,581**	25,318
Right of use assets	**13,476**	13,564
Investment properties – net	**247,325**	243,043
Property and equipment – net	**43,090**	43,062
Deferred tax assets - net	**11,213**	11,528
Other noncurrent assets (note 11)	**27,904**	34,880
Total Noncurrent Assets	**418,222**	418,489
Total Assets	**₱716,678**	₱713,923
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt (note 12)	**₱34,680**	₱18,033
Accounts and other payables (note 13)	**150,222**	162,979
Income tax payable	**2,647**	2,123
Current portion of lease liabilities	**725**	725
Current portion of long-term debt (note 12)	**17,403**	17,251
Deposits and other current liabilities (note 14)	**11,767**	25,473
Total Current Liabilities	**217,444**	226,584
Noncurrent Liabilities		
Long-term debt - net of current portion (note 12)	**178,620**	175,813
Pension liabilities	**2,300**	1,988
Lease liabilities - net	**16,655**	16,739
Deferred tax liabilities - net	**6,660**	6,091
Deposits and other noncurrent liabilities (note 15)	**52,082**	44,004
Total Noncurrent Liabilities	**256,317**	244,634
Total Liabilities	**473,761**	471,218
Equity		
Equity attributable to equity holders of Ayala Land, Inc.		
Paid-up capital	**62,799**	62,772
Retained earnings	**157,327**	156,940
Stock options outstanding	**42**	42
Remeasurement loss on defined benefit plans	**(644)**	(337)
Fair value reserve of financial assets at FVOCI	**(705)**	(457)
Cumulative translations adjustments	**(221)**	250
Equity reserves (note 16)	**(7,103)**	(7,056)
Treasury Stock	**(1,261)**	(1,104)
	210,234	211,050
Non-controlling interests	**32,683**	31,656
Total Equity	**242,917**	242,706
Total Liabilities and Equity	**₱716,678**	₱713,923

AYALA LAND, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Millions, Except Earnings Per Share Figures)

	2020 Unaudited January 1 to March 31	2019 Unaudited January 1 to March 31
REVENUE		
Real estate	**₱26,199**	₱37,438
Interest and Investment Income	**1,824**	1,890
Equity in net earnings of associates and joint ventures	**272**	263
Other income	**108**	89
	28,403	39,680
COSTS AND EXPENSES		
Real estate	**16,030**	23,489
General and administrative expenses	**2,097**	1,991
Interest and other financing charges	**3,234**	2,605
Other charges	**156**	382
	21,520	28,467
INCOME BEFORE INCOME TAX	**6,883**	11,213
PROVISION FOR INCOME TAX		
Current	**1,478**	2,948
Deferred	**365**	(32)
	1,843	2,916
NET INCOME	**₱5,040**	₱8,297
Net income attributable to:		
Equity holders of Ayala Land, Inc.	**₱4,322**	₱7,322
Non-controlling interests	**718**	975
	₱5,040	₱8,297
Earnings Per Share		
Basic	**₱0.29**	₱0.50
Diluted	**0.29**	0.50

AYALA LAND, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Millions)

	2020 Unaudited January 1 to March 31	2019 Unaudited January 1 to March 31
NET INCOME	**₱5,040**	₱8,297
Other comprehensive income/loss		
Net unrealized gain (loss) on available-for-sale financial assets	**(555)**	134
Total comprehensive income for the period	**₱4,485**	₱8,431
Total comprehensive income attributable to:		
Equity holders of Ayala Land, Inc.	**₱3,767**	₱7,456
Non-controlling interests	**718**	975
	₱4,485	₱8,431

AYALA LAND, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Millions)

	Attributable to equity holders of Ayala Land, Inc.													
	Capital Stock	Additional Paid-in Capital	Subscriptions Receivable	Appropriated Retained Earnings	Unappropriated Retained Earnings	Stock Options Outstanding	Remeasurement Gain (Loss) on Defined Benefit Plans	Net Unrealized Gain (Loss) on Availablefor-Sale Financial Assets	Cumulative Translation Adjustments	Equity Reserves	Total	Non-Controlling Interests	Treasury Shares	Total Equity
As of January 1, 2020	16,052	48,599	(1,878)	8,000	148,940	42	(337)	(457)	250	(7,056)	212,154	31,656	(1,104)	242,706
Net income					4,321						4,321		-	4,321
IFRS 16 - Leases					10						10			10
Other comprehensive income (loss)					-		(308)	(248)	(472)		(1,027)			(1,027)
Total comprehensive income	16,052	48,599	(1,878)	8,000	153,272	42	(645)	(705)	(221)	(7,056)	215,459	31,656	(1,104)	246,010
Cost of stock options											-			-
Collection of subscription receivable											-			-
Stock options exercised											-			-
Reacquisition of shares											-		(156)	(156)
Acqusition of control on previously held interest											-			-
Acquisition of non-controlling interest										(47)	(47)			(47)
Increase in non-controlling interest											-	718	-	718
Net change in non-controlling interest											-	310	-	310
IFRS 2 - Adjustment on share-based payment		27									27			27
Cash dividends declared					(3,945)						(3,945)	-	-	(3,945)
As of March 31, 2020	16,052	48,625	(1,878)	8,000	149,327	42	(645)	(705)	(221)	(7,103)	211,495	32,683	(1,261)	242,917
As of January 1, 2019	16,042	47,986	(1,677)	8,000	124,090	65	(220)	(454)	868	(7,401)	187,300	32,921	-	220,221
Net income					7,322						7,322	975	-	8,297
Other comprehensive income (loss)							9	125	(50)		84		-	84
Total comprehensive income	16,042	47,986	(1,677)	8,000	131,412	65	(211)	(329)	818	(7,401)	194,706	33,896	-	228,602
Cost of stock options											-			-
Collection of subscription receivable			58								58			58
Stock options exercised											-			-
Reacquisition of shares													(448)	(448)
Acquisition of previously held interest														-
Acquisition of non-controlling interest											-			-
Increase in non-controlling interest											-	(288)		(288)
Net change in non-controlling interest										(65)	(65)			(65)
IFRS 2 - Adjustment on share-based payment		18									18			18
Cash dividends declared					(3,828)						(3,828)			(3,828)
As of March 31, 2019	16,042	48,004	(1,619)	8,000	127,584	65	(211)	(329)	818	(7,466)	190,888	33,608	(448)	224,048

AYALA LAND, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Millions)

	March 2020 Unaudited	March 2019 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱6,883**	₱11,213
Adjustments for:		
Depreciation and amortization	**2,360**	2,024
Interest and other charges - net of amount capitalized	**3,390**	2,987
Equity in net earnings of investees	**(272)**	(263)
Interest and other income	**(1,824)**	(1,890)
Unrealized gain on financial assets	**(247)**	125
Provision for doubtful accounts	**3**	-
Operating income before changes in working capital	**10,293**	14,196
Decrease (increase) in:		
Accounts and notes receivable – trade	**(996)**	20,672
Real estate inventories	**1,769**	9,473
Other current assets	**(4,067)**	(2,986)
Increase (decrease) in:		
Accounts and other payables	**(12,498)**	(17,046)
Pension liabilities	**5**	2
Other current liabilities	**(13,706)**	(12,528)
Cash generated from operations	**(19,200)**	11,783
Interest received	**1,822**	1,884
Income tax paid	**(1,610)**	(2,536)
Interest paid - net of amount capitalized	**(3,360)**	(1,869)
Net cash provided by (used in) operating activities	**₱(22,348)**	₱9,262
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposals of (additions to):		
Investments	**₱(5,183)**	₱(16,538)
Property and equipment	**(1,343)**	(676)
Short term investments	**(385)**	217
Decrease (increase) in:		
Noncurrent accounts and notes receivable - non trade	**1,592**	4,265
Other assets	**5,045**	(5,960)
Net cash provided by (used in) investing activities	**₱(274)**	₱(18,692)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term / long-term loans	**₱21,037**	₱18,209
Payments of short-term / long-term loans	**(1,431)**	(15,342)
Increase (decrease) in :		
Deposits and other noncurrent liabilities	**8,563**	6,983
Minority interest in consolidated subsidiaries	**310**	(288)
Proceeds from capital stock subscriptions	**27**	76
Movements due to IFRS 16 - Leases	**10**	-
Purchase of treasury shares	**(156)**	(448)
Other Comprehensive Income	**(472)**	(50)
Dividends paid to non-controlling interest	**-**	-
Dividends paid to equity holders of Ayala Land, Inc.	**(3,945)**	(3,828)
Net cash provided by (used in) financing activities	**₱23,943**	₱5,312
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**₱1,321**	₱(4,118)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**20,413**	23,997
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**₱21,734**	₱19,879

AYALA LAND, INC. AND SUBSIDIARIES

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Ayala Land, Inc. (the Company) is domiciled and was incorporated on June 30, 1988 in the Republic of the Philippines. The Company's parent is Ayala Corporation (AC). AC is a publicly-listed company, 47.41%-owned by Mermac, Inc., 6.04%-owned by Mitsubishi Corporation (MC) and the rest by the public. The Company's registered office and principal place of business is 31st Floor, Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City.

The Company and its Subsidiaries (the Group) are incorporated to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent or otherwise deal in and dispose of, for itself or for others, residential including, but not limited to, all kinds of housing projects, commercial, industrial, urban or other kinds of real property; to acquire, purchase, hold, manage, develop and sell subdivision lots, with or without buildings or improvements; to erect, construct, alter, manage, operate, lease, in whole or in part, buildings and tenements of the Group or of other persons; and to engage or act as real estate broker. The Group is also involved in hotels and resorts operations.

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

	Mar 2020*	**Dec 2019***
Real Estate:		
Alveo Land Corporation (Alveo)	**100%**	**100%**
Serendra, Inc.	**39**	**39**
Solinea, Inc. (Solinea)	**65**	**65**
BGSouth Properties, Inc. (BGS)	**50**	**50**
Portico Land Corp. (Portico)	**60**	**60**
Serendra, Inc.	**28**	**28**
Amorsedia Development Corporation	**100**	**100**
OLC Development Corporation and Subsidiary	**100**	**100**
HLC Development Corporation	**100**	**100**
Allysonia International Ltd.	**100**	**100**
Avida Land Corporation (Avida)	**100**	**100**
Buklod Bahayan Realty and Development Corp.	**100**	**100**
Avida Sales Corp. and Subsidiaries	**100**	**100**
Amicassa Process Solutions, Inc.	**100**	**100**
Avencosouth Corp. (Avencosouth)	**70**	**70**
BGNorth Properties, Inc. (BGN)	**50**	**50**
Amaia Land Co. (Amaia)	**100**	**100**
Amaia Southern Properties, Inc. (ASPI)	**65**	**65**
AyalaLand Premier, Inc.	**100**	**100**
Ayala Land International Sales, Inc. (ALISI)	**100**	**100**
Ayalaland International Marketing, Inc. (AIMI)	**100**	**100**
Ayala Land International (Singapore) Pte. Ltd.	**100**	**100**
Ayalaland International Marketing (Hong Kong) Limited (ALIM HK)	**100**	**100**
Ayala Land International Marketing SRL (ALIM SRL)	**100**	**100**
Ayala Land International Marketing London	**100**	**100**
Ayala Land Sales, Inc.	**100**	**100**
Southportal Properties, Inc.	**65**	**65**
Buendia Landholdings, Inc.	**100**	**100**
Crans Montana Holdings, Inc.	**100**	**100**
Crimson Field Enterprises, Inc.	**100**	**100**
Ecoholdings Company, Inc. (ECI)	**100**	**100**
NorthBeacon Commercial Corporation NBCC)	**100**	**100**
Red Creek Properties, Inc.	**100**	**100**
Regent Time International, Limited (Regent Time) (British Virgin Islands)	**100**	**100**
North Eastern Commercial Corp. (formerly Asterion Technopod, Incorporated)	**100**	**100**

Westview Commercial Ventures Corp. (Westview) (formerly Crestview E-Office Corporation)	**100**	**100**
North Ventures Commercial Corp. (formerly Fairview Prime Commercial Corp. (formerly Gisborne Property Holdings, Inc.)	**100**	**100**
Hillsford Property Corporation (HPC)	**100**	**100**
Primavera Towncentre, Inc. (PTI)	**100**	**100**
Summerhill E-Office Corporation (Summerhill)	**100**	**100**
Sunnyfield E-Office Corporation (Sunnyfield)	**100**	**100**
Subic Bay Town Centre, Inc.	**100**	**100**
Regent Wise Investments Limited (Regent Wise) (Hongkong company)	**100**	**100**
AyalaLand Real Estate Investments Inc.	**100**	**100**
AyalaLand Advisory Broadway Inc.	**100**	**100**
AyalaLand Development (Canada) Inc.	**100**	**100**
AyalaLand OpenAsia Holdings PTE, Limited	**100**	**100**
Blue Horizons Holdings PTE, Limited	**100**	**100**
Modular Construction Technology (MCT) Bhd.	**66**	**66**
AyalaLand Commercial REIT, Inc. (ALCRI)	**100**	**100**
Arvo Commercial Corporation (Arvo)	**100**	**100**
BellaVita Land Corporation (BellaVita)	**100**	**100**
Nuevo Centro, Inc. (Nuevo Centro)	**54**	**54**
Alviera Country Club, Inc.**	**50**	**50**
Cavite Commercial Town Center, Inc.	**100**	**100**
One Dela Rosa Property Development, Inc.	**100**	**100**
AyalaLand Offices, Inc. (ALO) (formerly ALI Property Partners Corp. (APPCo))	**100**	**100**
First Gateway Real Estate Corp.	**100**	**100**
Glensworth Development, Inc. (Glensworth)	**100**	**100**
UP North Property Holdings, Inc.	**100**	**100**
ALO Prime Realty Corporation	**100**	**100**
Makati Cornerstone Leasing Corp.	**100**	**100**
Arca South Commercial Ventures Corp.	**100**	**100**
Capitol Central Commercial Ventures Corp.	**100**	**100**
Bay City Commercial Ventures Corp.	**100**	**100**
Aurora Properties Incorporated	**81**	**81**
Soltea Commercial Corp.	**16**	**16**
Vesta Property Holdings, Inc.	**78**	**78**
Altaraza Prime Realty Corporation	**100**	**100**
Prow Holdings Inc	**55**	**55**
Station Square East Commercial Corporation (SSECC)	**69**	**69**
Next Urban Alliance Development Corp.	**100**	**100**
Accendo Commercial Corp. (Accendo)	**67**	**67**
Avencosouth Corp.	**20**	**20**
Aviana Development Corporation	**7**	**7**
Aviana Development Corporation	**50**	**50**
Cagayan de Oro Gateway Corp. (CDOGC)	**70**	**70**
Ceci Realty, Inc. (Ceci)	**60**	**60**
Soltea Commercial Corp.	**12**	**12**
Soltea Commercial Corp.	**60**	**60**
CMPI Holdings, Inc.	**60**	**60**
CMPI Land, Inc.	**36**	**36**
ALI-CII Development Corporation (ALI-CII)	**50**	**50**
Roxas Land Corporation (RLC)	**50**	**50**
Adauge Commercial Corporation (Adauge)	**60**	**60**
Ayalaland Estates, Inc. (formerly Southgateway Development Corp.)	**100**	**100**
Ayalaland MetroNorth, Inc. (AMNI)	**100**	**100**
Verde Golf Development Corporation	**100**	**100**
North Triangle Depot Commercial Corporation (NTDCC)	**73**	**73**
BGWest Properties, Inc. (BGW)	**50**	**50**
Lagdigan Land Corporation	**60**	**60**
Central Block Developers, Inc.	**45**	**45**
Cebu Holdings, Inc. (CHI)	**71**	**70**
Cebu Leisure Company, Inc.	**71**	**70**
CBP Theatre Management Inc.	**71**	**70**

Taft Punta Engaño Property Inc. (TPEPI)	**39**	**39**
Cebu Insular Hotel Company, Inc. (CIHCI)	**26**	**26**
Solinea, Inc.	**25**	**25**
Amaia Southern Properties, Inc. (ASPI)	**25**	**25**
Southportal Properties, Inc.	**25**	**25**
Central Block Developers, Inc***	**39**	**39**
Asian I-Office Properties, Inc. (AIOPI)	**71**	**70**
Alabang Commercial Corporation (ACC)	**50**	**50**
South Innovative Theater Management (SITMI)	**50**	**50**
ALI Commercial Center Inc.	**100**	**100**
AMC Japan Concepts, Inc.	**75**	**75**
AyalaLand Logistics Holdings Corp. (formerly Prime Orion Philippines Inc.)	**71**	**71**
FLT Prime Insurance Corp.	**56**	**56**
Orion Solutions, Inc	**71**	**71**
Orion I Holdings Philippines, Inc.	**71**	**71**
OE Holdings, Inc.	**71**	**71**
Orion Land Inc.	**71**	**71**
Lepanto Ceramics, Inc.	**71**	**71**
Laguna Technopark, Inc. (LTI)	**68**	**68**
Ecozone Power Management, Inc.	**68**	**68**
Unity Realty & Development Corp.	**71**	**71**
Ayalaland Malls Synergies, Inc.	**100**	**100**
Ayala Land Malls, Inc. (formerly Solerte, Inc.)	**100**	**100**
AyalaLand Malls Vismin, Inc.	**100**	**100**
AyalaLand Malls NorthEast, Inc.	**100**	**100**
Construction:		
Makati Development Corporation (MDC)	**100**	**100**
MDC Subic, Inc.	**100**	**100**
MDC Build Plus, Inc.	**100**	**100**
MDC Conqrete, Inc. (MCI)	**100**	**100**
MDC Equipment Solutions, Inc. (MESI)	**100**	**100**
MDBI Construction Corp. (formerly MDC Triangle)	**67**	**67**
Hotels and Resorts:		
Ayala Hotels, Inc. (AHI)	**50**	**50**
AyalaLand Hotels and Resorts Corporation (AHRC) and Subsidiaries	**100**	**100**
ALI Makati Hotel & Residences, Inc. (formerly KHI-ALI Manila, Inc.)	**80**	**80**
ALI Makati Hotel Property, Inc. (formerly KHI Manila Property, Inc.)	**80**	**80**
Asian Conservation Company Limited and Subsidiary	**100**	**100**
Enjay Hotels, Inc. (Enjay)	**100**	**100**
Greenhaven Property Venture, Inc. (GPVI)	**100**	**100**
Cebu Insular Hotel Company, Inc. (CIHCI)	**63**	**63**
Bonifacio Hotel Ventures, Inc.	**100**	**100**
Southcrest Hotel Ventures, Inc.	**67**	**67**
Northgate Hotel Ventures, Inc.	**70**	**70**
North Triangle Hotel Ventures, Inc.	**100**	**100**
Ecosouth Hotel Ventures, Inc.	**100**	**100**
Sentera Hotel Ventures Inc.	**100**	**100**
Econorth Resorts Ventures, Inc.	**100**	**100**
ALI Triangle Hotel Ventures, Inc.	**100**	**100**
Circuit Makati Hotel Ventures, Inc.	**100**	**100**
Capitol Centre Hotel Ventures, Inc.	**100**	**100**
Arca South Hotel Ventures, Inc.	**100**	**100**
Sicogon Town Hotel, Inc.	**100**	**100**
Bay Area Hotel Ventures, Inc.	**100**	**100**
Makati North Hotel Ventures, Inc.	**100**	**100**
One Makati Hotel Ventures, Inc.	**100**	**100**
Sicogon Island Tourism Estate, Corp.	**100**	**100**
Asiatown Hotel Ventures, Inc.	**100**	**100**
One Makati Residential Ventures, Inc.	**100**	**100**
ALI Makati Hotel & Residences, Inc. (formerly KHI-ALI Manila, Inc.)	**20**	**20**

ALI Makati Hotel Property, Inc. (formerly KHI Manila Property, Inc.)	**20**	**20**
Ten Knots Phils., Inc. (TKPI)	**60**	**60**
Bacuit Bay Development Corporation	**60**	**60**
Lio Resort Ventures Inc.	**60**	**60**
North Liberty Resort Ventures Inc.	**60**	**60**
Paragua Eco-Resort Ventures Inc.	**60**	**60**
Lio Tourism Estate Management Corp.	**60**	**60**
Ten Knots Development, Corp. (TKDC)	**60**	**60**
Chirica Resorts Corp.	**60**	**60**
Kingfisher Capital Resources Corp.	**60**	**60**
Pangalusian Island Resort Corporation	**60**	**60**
Property Management:		
Ayala Property Management Corporation (APMC)	**100**	**100**
Prime Support Services, Inc.	**100**	**100**
Ayala Theatres Management, Inc. and Subsidiaries	**100**	**100**
DirectPower Services, Inc. (DirectPower)	**100**	**100**
Philippine Integrated Energy Solutions, Inc. (PhilEnergy)	**100**	**100**
Entertainment:		
Five Star Cinema, Inc.	**100**	**100**
Leisure and Allied Industries Philippines, Inc. (LAIP)	**50**	**50**
Others:		
MZM Holdings, Inc. (MZM)	**-**	**-**
ALInet.com, Inc. (ALInet)	**100**	**100**
First Longfield Investments Limited (First Longfield) (Hongkong company)	**100**	**100**
Green Horizons Holdings Limited	**100**	**100**
PCM Formosa Company Limited	**50**	**50**
Esta Galleria, Inc.	**50**	**50**
Horizon Wealth Holding, Ltd.	**100**	**100**
Food Court Company, Inc. (FCCI)	**-**	**-**
Aprisa Business Process Solutions, Inc. (Aprisa)	**100**	**100**
Studio Ventures, Inc. (SVI)	**-**	**-**
AyalaLand Club Management, Inc.	**100**	**100**
ALI Capital Corp. (formerly Varejo Corp.)	**100**	**100**
Integrated Eco-resort Inc.	**100**	**100**
Island Transvoyager, Inc.	**100**	**100**
Arca South Integrated Terminal, Inc.	**100**	**100**
Whiteknight Holdings, Inc. (WHI)	**100**	**100**
Ayalaland Medical Facilities Leasing Inc. (Ayala Land Healthcare Leasing Inc.)	**100**	**100**
Anvaya Cove Beach and Nature Club, Inc.**	**73**	**73**
Anvaya Cove Golf and Sports Club, Inc.**	**76**	**76**

**Includes the Ayala Land group's percentage and effective ownership*
*** Consolidated in compliance with Philippine Interpretations Committee (PIC) Q&A 2016-02 PAS 32 and PAS 38 - Accounting Treatment of Club Shares Held by an Entity*
**** includes CPVD interest in CBDI*

AC owns the other 50.0% of AHI. The Company exercises control over AHI. Likewise, the Company, through its 50.0% effective ownership and by virtue of a management contract or shareholders' agreement, exercises control over the operations and management of ACC, BGWest, BGNorth, BGSouth, RLC, ALI-CII and LAIP. Accordingly, the accounts of AHI, ACC, BGWest, BGNorth, BGSouth, RLC, ALI-CII and LAIP are consolidated to the accounts of the Company.

Changes in the group structure in 2020

There were no changes in the group structure as of March 31, 2020.

The following are the changes in group structure in 2019:

AyalaLand Logistics Holdings, Corp (formerly Prime Orion Philippines, Inc.) and Laguna Technopark, Inc.

On February 4, 2019, The Executive Committee of Ayala Land, Inc. (ALI) approved the purchase of a 20% equity interest owned by Mitsubishi Corporation in Laguna Technopark, Inc. (LTI), equivalent to 8,051 common shares, with a total value of P800 million. Subsequently, ALI will exchange the 20% equity interest in LTI for additional shares of stock in AyalaLand Logistics Holdings, Corp. (ALLHC), equivalent to 323,886,640 common shares, subject to conditions to be fulfilled by ALLHC.

On May 10, 2019, Prime Orion Philippines, Inc., changed its corporate name to Ayalaland Logistics Holdings Corp. (ALLHC).

On June 10, 2019, ALI sold its 20% equity interest or 8,051 common shares in LTI to ALLHC for a consideration of P800 million.

On September 9, 2019, Orion Land, Inc. sold through a special block sale, 215,090,031 common shares of ALLHC to its affiliate, Avida Land Corporation for a total consideration of P628,062,891.00. On September 27, 2019, ALI acquired the 215,090,031 common shares of ALLHC from Avida Land Corp. through a special block sale at P2.92/share for a total consideration of P628,062,891.00. As a result of the transaction, ALI's effective ownership in ALLHC increased to 71.68%.

Increased stake in Cebu Holdings, Inc.

On April 17, 2019, ALI acquired additional 14,913,200 common shares of Cebu Holdings, Inc. through the Philippine Stock Exchange totaling P88.7 million. This transaction increased ALI's ownership from 70.4% to 71.1%.

San Lazaro BPO Complex Joint Venture

On September 24, 2019, ALI sold to Manila Jockey Club, Inc. (MJC) its rights, titles and interest in Vertex One Building, located at Felix Huertas Road, Sta. Cruz, Manila, consisting of office units with an aggregate area of 13,517 sqm and 206 appurtenant parking spaces, resulting in MJC owning 100% of Vertex One for a total consideration of P511,653,100.00.

2. Basis of Financial Statement Preparation

The accompanying unaudited, condensed, and 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, 2019 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, 2019.

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 (₱000) except when otherwise indicated.

On May 4, 2020, the Audit Committee approved and authorized the release of the accompanying unaudited condensed consolidated financial statements of Ayala Land, Inc. and subsidiaries.

3. Summary of Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements represent the consolidation of the financial statements of the Group as of March 31, 2020 and December 31, 2019.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvements with the investee and has the ability to affect the return through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:
- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure or rights, to variable return from the involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- The contractual arrangement with the other vote holders of the investee,
- Rights arising from the other contractual arrangements, and
- The Groups’ voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included or excluded in the consolidated financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Non-controlling interests pertain to the equity in a subsidiary not attributable, directly or indirectly to the Parent Company. Any equity instruments issued by a subsidiary that are not owned by the Parent Company are non-controlling interests including preferred shares and options under share-based transactions. The portion of profit or loss and net assets in subsidiaries not wholly-owned are presented separately in the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position, separately from the Parent Company’s equity. Non-controlling interests are net of any outstanding subscription receivable.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any non-controlling interest and the cumulative translation differences recorded in equity,
- Recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss, and
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

Adoption of New and Amended Accounting Standards and Interpretations

The accounting policies adopted in the preparation of the Group's consolidated financial statements are consistent with those of the previous financial year except for the adoption of the following new accounting pronouncements which became effective January 1, 2020.

- Amendments to PFRS 3, *Definition of a Business*

  The amendments to PFRS 3 clarify the minimum requirements to be a business, remove the assessment of a market participant's ability to replace missing elements, and narrow the definition of outputs. The amendments also add guidance to assess whether an acquired process is substantive and add illustrative examples. An optional fair value concentration test is introduced which permits a simplified assessment of whether an acquired set of activities and assets is not a business.

  An entity applies those amendments prospectively for annual reporting periods beginning on or after January 1, 2020, with earlier application permitted.

  These amendments will apply on future business combinations of the Group.

- Amendments to PAS 1, *Presentation of Financial Statements*, and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*

  The amendments refine the definition of material in PAS 1 and align the definitions used across PFRSs and other pronouncements. They are intended to improve the understanding of the existing requirements rather than to significantly impact an entity's materiality judgments.

  An entity applies those amendments prospectively for annual reporting periods beginning on or after January 1, 2020, with earlier application permitted.

  These amendments are not expected to have a significant impact on the Group.

Effective beginning on or after January 1, 2021

- PFRS 17, *Insurance Contracts*
  PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

  The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)

- A simplified approach (the premium allocation approach) mainly for short-duration contracts PFRS 17 is effective for reporting periods beginning on or after January 1, 2021, with comparative figures required. Early application is permitted.

The new standard is not applicable to the Group since none of the entities within the Group have activities that are predominantly connected with insurance or issue insurance contracts.

Deferred effectivity

- Amendments to PFRS 10 and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

  The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

  On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (IASB) completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

  The Group is currently assessing the impact of adopting these amendments.

4. Cash and Cash Equivalents

This account consists of the following:

(in million pesos)	**March 31, 2020 (Unaudited)**	**December 31, 2019 (Audited)**
Cash on Hand	₱62	₱73
Cash in Banks	14,185	14,555
Cash Equivalents	7,487	5,785
TOTAL	**₱21,734**	**₱20,413**

Cash in banks earn interest based on the respective bank deposit rates. Cash equivalents are short term, highly liquid investments that are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Group, and earn interest based on the respective short-term investment rates.

5. Short-term Investments

Short-term investments consist of money market placements made for varying periods of more than three (3) months and up to one (1) year and earn interest at the respective short-term investment rates.

The annual interest rates of the short-term investments are as follows:

	March 31, 2020 (Unaudited)	**December 31, 2019 (Audited)**
Philippine Peso	2.63% to 2.75%	3.0%
US Dollar	1.0% to 1.8%	1.8% to 2.0%

6. Financial Assets at FVPL

This account consists of the following:

(in million pesos)	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
Investment in Arch Capital Fund	₱369	₱389
Investment in Unit Investment Trust Fund (UITF)	101	96
TOTAL	**₱470**	**₱485**

Investment in ARCH Capital Fund pertains to monetary interest in a fund in which the management takes the view that these are held for trading and it is a portfolio of identified property funds invested and managed by professional managers.

The Group invests in money market Unit Investment Trust Funds (UITF) which aims to generate liquidity and stable income by investing in a diversified portfolio of primarily short-term fixed income instruments and with no minimum holding period requirement.

7. Accounts and Notes Receivables

The account consists of:

(in million pesos)	March 30, 2020 (Unaudited)	December 31, 2019 (Audited)
Trade:		
Residential	₱105,695	₱104,261
Corporate business	3,873	3,828
Shopping centers	5,102	3,685
Construction contracts	1,783	1,553
Management fees	203	99
Others	5,227	4,559
Advances to other companies	18,227	18,984
Accrued receivables	4,941	7,789
Receivables from related parties (Note 18)	5,249	6,130
Receivables from employees	938	901
	151,238	151,789
Less allowance for impairment losses	1,233	1,186
	150,005	150,603
Less noncurrent portion	45,949	45,564
	₱104,056	**₱105,039**

The classes of trade receivables of the Group are as follows:

- Residential and office development - pertain to receivables from the sale of high-end, upper middle-income and affordable residential lots and units; economic and socialized housing units and sale of commercial lots; sale of office units; and leisure community developments
- Construction contracts - pertain to receivables from third party construction projects
- Corporate business - pertain to lease receivables from office and factory buildings; and receivables from the sale of office buildings and industrial lots
- Shopping centers - pertain to lease receivables from retail spaces
- Management fees - pertain to receivables from facilities management services
- Others - pertain to receivables from hotel operations and other support services

Residential, commercial, and office development receivables are collectible in monthly installments over a period of one (1) to ten (10) years. These are carried at amortized cost using the effective interest rate method with annual interest rates ranging from 6.3% to 13.5%. Titles to real estate properties are transferred to the buyers only until the full payment has been made. Residential, commercial, and office development receivables are collectible in monthly installments over a period of one (1) to ten (10) years. These are carried at amortized cost using the effective interest rate method with annual interest rates ranging from 6.3% to 13.5%. Titles to real estate properties are transferred to the buyers only once full payment has been made.

Corporate business receivables are collectible on a monthly or quarterly basis depending on the terms of the lease contracts.

Receivables from shopping centers, construction contracts and management fees are due within 30 days upon billing.

Receivables from hotel operations and other support services included under other trade receivables are normally due within 30 to 90 days upon billing.

Advances to other companies includes advances made to joint venture partners that have been made in consideration of project costs and purchases of land that are still subject to completion. The Group does not intend that these advances will be repaid, but will instead be recorded as part of the project costs upon development or as part of consideration for purchases of land. The documentation for these advances provides that these will be payable over a fixed term or on demand in order to allow for repayment of the advances when closing does not occur.

Advances to other companies also includes Receivables from MRT Development Corporation (MRTDC) shareholders which pertains to interest-bearing advances to MRTDC equivalent to the Pre-2006 Development Rights Payment (DRP) Payables and the Residual Depot DRP which is due more than one year, in relation to the funding and repayment agreement.

Set off shall be effective as of the beginning of every calendar month, commencing January 30, 2015 and shall result in the settlement of the portion of the Total DRP Payables to the extent of the amount of the commercial center royalties then the balance will fall due to the relevant MRTDC Shareholders.

Accrued receivables and receivables from related parties are due and demandable. Receivables from employees pertain to housing, car, salary and other loans granted to the Group's employees which are collectible through salary deduction, are interest-bearing and payable on various maturity dates.

The Group entered into agreements with BPI Asset Management and Trust Corporation in 2019 for the assignment of interest-bearing employee receivables amounting to ₱11.3 million. The transactions were without recourse and did not result to any gain or loss.

The Group sold real estate receivables on a without recourse basis to partner mortgage banks, which include BPI Family Savings Bank, a related party, totaling to ₱9,976 in 2019. These were sold at discount with total proceeds of ₱9,281 million. The Group recognized loss on sale, under "Other Charges" amounting to ₱775 million in 2019. No sale of receivables was made in 1Q 2020.

As of March 31, 2020, (unaudited) aging analysis of past due but not impaired trade receivables presented per class, follow:

		Past Due but not impaired							
March 31, 2020 (in millions)	**Neither Past Due nor Impaired**	**<30 days**	**30-60 days**	**61-90 days**	**91-120 days**	**>120 days**	**Total**	**Individually Impaired**	**Total**
Trade	**₱105,281**	**₱6,655**	**₱1,751**	**₱1,463**	**₱1,277**	**₱4,840**	**₱15,986**	**₱616**	**₱121,883**
Residential	92,615	6,052	1,153	1,233	1,022	3,620	13,080	-	105,695
Corporate business	3,141	192	79	28	50	267	616	116	3,873
Shopping centers	3,057	351	333	141	163	658	1,646	399	5,102
Construction contracts	1,437	30	115	34	9	120	308	38	1,783
Management Fees	61	11	41	21	-	33	106	36	203
Others	4,970	19	30	6	33	142	230	27	5,227
Advances to other companies	**11,256**	**800**	**64**	**-**	**249**	**5,858**	**6,971**	**-**	**18,227**
Accrued Receivables	**3,525**	**241**	**14**	**211**	**167**	**783**	**1,416**	**-**	**4,941**
Related Parties	**3,670**	**513**	**364**	**163**	**124**	**415**	**1,579**	**-**	**5,249**
Receivables from employees	**852**	**22**	**1**	**2**	**4**	**57**	**86**	**-**	**938**
Total	**₱124,584**	**₱8,231**	**₱2,194**	**₱1,839**	**₱1,821**	**₱11,953**	**₱26,038**	**₱616**	**₱151,238**

8. Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realizable value (NRV).

NRV is the estimated selling price in the ordinary course of business based on market prices at the reporting date less estimated costs of completion and the estimated costs of sale.

9. Other Current Assets

This account consists of:

(in thousand pesos)	**As of Mar 31, 2020**	**As of Dec 31, 2019**
Value-added input tax	**₱14,942,313**	₱14,515,697
Prepaid expenses	**17,459,311**	14,355,646
Advances to contractors	**12,786,491**	13,217,858
Creditable withholding taxes	**5,292,075**	4,710,840
Materials, parts and supplies – at cost	**616,191**	999,883
Others	**1,318,807**	791,708
Total	**₱ 52,415,189**	**₱48,591,632**

Value-added input tax is applied against value-added output tax. The remaining balance is recoverable in future periods.

Prepaid expenses consist of prepayments for commissions, marketing fees, advertising and promotions, taxes and licenses, rentals and insurance.

Advances to contractors represents prepayments for the construction of inventories.

Creditable withholding taxes are applied against income tax payable.

Materials, parts and supplies pertain to inventories to be used in the construction and maintenance of projects.

Others include deferred charges and letters of credit. Deferred charges pertain to project-related costs already paid but not yet consumed in the actual construction activities.

10. Investment in Associates and Joint Ventures

Details of the group's investments in associates and joint ventures and the related percentages of ownership are shown below:

	Percentage of Ownership		**Carrying Amounts**	
(in thousand pesos)	**As of Mar 31 2020**	**As of Dec 31 2019**	**As of Mar 31 2020**	**As of Dec 31 2019**
Joint Ventures:				
Emerging City Holdings, Inc. (ECHI)	50%	50%	4,154,938	4,075,620
Berkshires Holdings, Inc. (BHI)	50%	50%	2,036,719	2,002,726
Cebu District Property Enterprise, Inc. (CDPEI)	35%	35%	1,437,892	1,443,220
Alveo-Federal Land Communities, Inc.	50%	50%	920,497	904,452
ALI-ETON Property Development Corporation	50%	50%	3,296,722	3,294,858
AyaGold Retailers, Inc. (AyaGold)	50%	50%	159,717	160,429
BYMCW, Inc.	31%	31%	55,500	55,500
SIAL Specialty Retailers, Inc. (SIAL Specialty)	50%	50%	31,744	31,744
AKL Properties, Inc.	50%	50%	2,272,393	2,274,254
			14,366,122	**14,242,803**
Associates:				
Ortigas Land Corporation (OLC)				
Bonifacio Land Corp. (BLC)	21%	21%	8,667,451	8,540,155
Rize-Ayalaland (Kingsway) GP, Inc. (Rize-Ayalaland)	10%	10%	1,510,256	1,479,284
Tianjin Eco-City Ayala Land Development Co., Ltd (Tianjin Eco-City)	49%	49%	448,613	448,613
Mercado General Hospital, Inc. (MGHI)	40%	40%	477,899	474,486
Lagoon Development Corporation	40%	40%	70,823	96,551
	30%	30%	39,921	35,689
Total			**25,581,085**	**25,317,581**

Financial information of the associates with material interest:

Ortigas Land Corporation (OLC) Formerly OCLP Holdings, Inc. (OHI)

OLC owns 99.5% interest in Ortigas & Company Limited Partners (OCLP), an entity engaged in real estate development and leasing businesses. In 2016, ALI acquired a 21.1% stake in OLC consistent with its thrust of expanding its operations to other areas within and outside of Metro Manila through partnerships. The acquisition was made possible via the purchase of shares from existing OLC shareholders and this was recorded under "Investments in associates and joint ventures" account.

Below is the summarized financial information for OLC:

(in thousand pesos) **Ortigas Land Corporation**	**As of Mar 31, 2020**	**As of Dec 31, 2019**
Current assets	19,158,647	20,459,694
Noncurrent assets	21,411,141	19,563,645
Current liabilities	13,913,553	13,360,788
Noncurrent liabilities	16,711,348	17,374,206
Equity	9,944,888	9,288,344
Proportion of Group's ownership	21.0%	21.0%
Group's share in identifiable net assets	2,088,426	1,950,552
Carrying amount of the investment	8,667,451	8,540,155
Fair value adjustments	6,579,024	6,589,603
Negative Goodwill	-	-
Dividends received	-	-
Revenue	3,478,540	12,214,233
Cost and expenses	(2,828,287)	(9,877,006)
Net income (continuing operations)	650,254	2,337,227
Group's share in net income for the year	136,553	490,818
Total comprehensive income	650,254	2,337,227
Group's share in total comprehensive income for the year	136,553	490,818

Bonifacio Land Corporation (BLC)

The Group has 10% interest in BLC, which is involved in the purchase, subscription or otherwise disposal of real and personal properties. Bonifacio Land Corp. is a private company incorporated on October 20, 1994 and there is no quoted market price available for its shares. Its registered office and principal place of business is Taguig, Philippines.

Below is the summarized financial information of BLC:

(in thousand pesos) **Bonifacio Land Corporation**	**As of Mar 31, 2020**	**As of Dec 31, 2019**
Current assets	11,098,615	10,996,893
Noncurrent assets	32,851,436	32,437,784
Current liabilities	2,885,795	3,066,467
Noncurrent liabilities	7,175,489	7,175,865
Equity	33,888,768	33,192,345
Less: noncontrolling interest	15,207,312	14,896,099
Equity attributable to Parent Company	18,681,457	18,296,246
Proportion of Group's ownership	10.1%	10.1%
Group's share in identifiable net assets	1,886,827	1,847,921
Carrying amount of the investment	1,510,256	1,479,284
Negative Goodwill	376,571	368,737
Dividends received	-	80,836

Revenue	1,328,055	5,790,288
Cost and expenses	(724,827)	(3,150,446)
Net income (continuing operations)	603,228	2,639,842
Net income attributable to minority interest	(280,519)	(1,242,515)
Net income attributable to parent	322,709	1,397,327
Group's share in net income for the year	32,594	141,130
Total comprehensive income attributable to parent	322,709	1,397,327
Group's share in total comprehensive income for the year	32,594	141,130

Aggregate financial information on associates with immaterial interest:

Rize-Ayalaland, Tianjin Eco-City, LDC, MGHI and others

(in thousand pesos) **Rize-Ayalaland, Tianjin Eco-City, LDC, MGHI, others**	**As of Mar 31, 2020**	**As of Dec 31, 2019**
Carrying amount	1,037,257	1,055,339
Share in net income (loss) from continuing operations	(18,082)	(216,534)
Share in total comprehensive income (loss)	(18,082)	(216,534)

Emerging City Holdings, Inc. (ECHI)

The Group has 50% interest in ECHI, which serves as The Group's corporate vehicle in the acquisition of a controlling stake in Bonifacio Land Corp./ Fort Bonifacio Development Corp. (FBDC) through Columbus Holdings, Inc. in 2003. FBDC continues to sell commercial lots and condominium units and leases out retail and office spaces in Bonifacio Global City. Below is the summarized financial information of ECHI:

(in thousand pesos) **Emerging City Holdings, Inc.**	**As of Mar 31, 2020**	**As of Dec 31, 2019**
Current assets	11,319,394	11,219,613
Noncurrent assets	32,851,616	32,437,964
Current liabilities	3,214,290	3,395,804
Noncurrent liabilities	7,175,489	7,175,865
Equity	33,781,231	33,085,909
Less: minority interest	24,759,863	24,244,695
Equity	9,021,368	8,841,213
Proportion of Group's ownership	50.0%	50.0%

Group’s share in identifiable net assets	4,510,684	4,420,607
Carrying amount of the investment	4,154,938	4,075,620
Fair value adjustments	355,746	344,987
Dividends received	-	175,000

Revenue	1,328,348	5,795,508
Cost and expenses	(726,885)	(3,158,836)
Net income (continuing operations)	601,463	2,636,671
Net income attributable to minority interest	(435,945)	(1,916,480)
Net income attributable to parent	165,519	720,191
Group’s share in net income for the year	82,759	360,096
Total comprehensive income attributable to parent	166,805	722,037
Group’s share in total comprehensive income for the year	83,402	361,019

AKL Properties, Inc.

AKL Properties, Inc. is a 50:50 joint venture between Ayala Land, Inc. and Royal Asia Land, Inc., and is organized primarily for future mixed-use development in South Luzon area. Below is the summarized financial information for AKL:

(in thousand pesos) **AKL Properties, Inc.**	**As of Mar 31, 2020**	**As of Dec 31, 2019**
Current assets	789,527	803,666
Noncurrent assets	3,750,314	3,748,654
Current liabilities	1,102	8,811
Noncurrent liabilities	0	0
Equity	4,539,786	4,543,508
Proportion of Group’s ownership	50.0%	50.0%
Group’s share in identifiable net assets	2,269,893	2,271,754
Carrying amount of the investment	2,272,393	2,274,254
Fair value adjustments	2,500	2,500
Negative Goodwill	-	-
Dividends received	-	-
Revenue	149	336
Cost and expenses	(3,871)	(6,446)
Net income (continuing operations)	(3,722)	(6,110)
Group’s share in net income for the year	(1,861)	(3,055)
Total comprehensive income attributable to parent	(3,722)	(6,110)
Group’s share in total comprehensive income for the year	(1,861)	(3,055)

BHI, CDPEI, Alveo-Federal, ALI-Eton, SIAL Specialty, AyaGold and BYMCW, Inc

(in thousand pesos) **BHI, CDPEI, Alveo-Federal, ALI-Eton, SIAL Specialty, AyaGold and BYMCW, Inc**	**As of Mar 31 2020**	**As of Dec 31 2019**
Carrying amount	7,938,791	7,892,929
Share in net income (loss) from continuing operations	91,109	421,773
Share in total comprehensive income (loss)	91,109	421,773

11. Other noncurrent assets

This account consists of:

(in thousand pesos)	**As of Mar 31, 2020**	**As of Dec 31, 2019**
Advances to contractors	**₱9,834,796**	₱13,664,137
Prepaid expenses	**10,547,165**	10,667,666
Leasehold rights	**3,634,867**	3,684,840
Deferred input VAT	**985,014**	1,676,155
Deposits - others	**2,542,537**	2,452,299
Investment in bonds	**2,161,565**	2,309,867
Net pension assets	**53,575**	74,332
Development rights	**63,314**	63,314
Others	**243,643**	287,867
Total	**₱30,066,475**	₱34,880,477

Advances to contractors represents prepayments for the construction of investment properties and property and equipment.

Prepaid expenses consist of project costs incurred for unlaunched projects of the Group, advance rental payments, noncurrent prepaid management fees, commissions and advertising and promotions.

Leasehold rights consist of the following:

- Through the acquisition of ALLHC, ALI acquired leasehold rights arising from their lease agreement with Philippine National Railways (PNR).
- TKPI's leasehold rights pertains to the right to use the property in Apulit Island located in Taytay, Palawan expiring on December 31, 2029.
- NTDCC's leasehold rights refer to development rights on an 8.3-hectare portion of the MRT Development Corporation, which is located on the North Triangle property, and enabled the Group to develop and construct a commercial center.

Movements during the period are as follows:

(in thousand pesos)	**Mar 31, 2020**	**Dec 31, 2019**
Balance at the beginning of the year	₱3,648,840	₱3,868,532
Amortization	(49,973)	(183,692)
Balance at the end of the period	₱3,634,867	₱3,684,840

Deferred input VAT pertains to unamortized VAT portion from purchases of capital goods

Deposits - others pertain to various utility deposits and security deposits for leases.

Development rights pertain to the saleable and non-saleable development rights acquired by the parent company. The non-saleable portion is allocated to the gross floor area of a structure in a particular lot that can be developed in the future. The development rights are capitalized as additional cost of the structure once the development commences.

Others pertain to prepayments for expenses that is amortized for more than one year.

12. Short-Term and Long-Term Debt

The short-term debt of the Company ended at P34,680 million and P18,033 million as of March 31, 2020 and December 31, 2019, respectively.

In compliance with BSP rules on directors, officers, stockholders and related interests, certain short-term and long-term debt with a carrying value of P19,107.4 million and P24,416.9 million as of March 31, 2020 and December 31, 2019 are secured by real estate mortgages dated September 2, 2014 and March 14, 2016 covering both land and building of the Greenbelt Mall. Peso-denominated short-term loans had a weighted average cost of 5.00% and 4.98% per annum for the first quarter period ending March 31, 2020 and for the year ending December 31, 2019, respectively.

Long-term debt consists of:

(in thousand pesos)	**March 31, 2020**	**December 31, 2019**
Company:		
Bonds:		
Due 2020	₱ 4,000,000	₱ 4,000,000
Due 2021	9,000,000	9,000,000
Due 2022	12,650,000	12,650,000
Due 2023	15,000,000	15,000,000
Due 2024	18,000,000	18,000,000
Due 2025	15,000,000	15,000,000
Due 2026	16,000,000	16,000,000
Due 2027	8,000,000	8,000,000
Due 2028	10,000,000	10,000,000
Due 2033	2,000,000	2,000,000
Fixed Rate Corporate Notes (FXCNs)	5,687,500	5,710,000
PHP-denominated long-term loan	46,274,759	41,885,094
USD-denominated long-term loan	6,335,000	6,329,375
	167,947,259	163,574,469
Subsidiaries:		
Bonds		
Due 2021	₱5,000,000	₱5,0000,000
Bank Loans – Philippine Peso	22,651,973	24,046,410
Bank Loans – Malaysian Ringgit	3,530	4,875
FXCNs	1,340,600	1,350,000
	28,996,103	30,401,285
	196,943,362	193,975,754
Less: Unamortized Transaction Costs	920,276	911,703
	196,023,086	193,064,051
Less: Current Portion	17,403,234	17,250,706
	178,619,852	**175,813,345**

Philippine Peso 7-Year and 10-year Bonds due 2019 and 2022
In April 2012, the Parent Company issued a total of P15,000.0 million bonds, broken down into a P9,350.0 million bond due 2019 at a fixed rate equivalent to 5.6% p.a. and a P5,650.0 million bond due 2022 at a fixed rate equivalent to 6.0% p.a. PhilRatings assigned a PRS Aaa rating on the bonds indicating that it has the smallest degree of investment risk. Interest payments are protected by a large or by an exceptionally stable margin and principal is assured. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues. PRS Aaa is the highest credit rating possible on PhilRatings' rating scales for long-term issuances. The Parent Company fully paid the P9,350.0-million bond in April 2019.

Philippine Peso 5-year and 10-year and 6-month Bonds due 2024
In July 2013, the Parent Company issued a total of P15,000.0 million bonds due 2024 at a fixed rate equivalent to 5.0% p.a. Credit Rating and Investors Services Philippines, Inc. (CRISP) assigned a "AAA" on the bonds indicating that it has a minimal credit risk owing to the Company's capacity to repay

its debt obligations. AAA is the highest rating assigned by CRISP. In 2019, the Parent Company issued a total of P3,000.0 million bonds due 2024 at a fixed rate equivalent to 4.758% p.a. under its new shelf registration. PhilRatings assigned a PRS Aaa rating on the bonds.

Philippine Peso 7-Year and 20-year Bonds due 2020 and 2033
In October 2013, the Parent Company issued a total of P6,000.0 million bonds, broken down into a P4,000.0 million bond due 2020 at a fixed rate equivalent to 4.6% p.a. and a P2,000.0 million bond due 2033 at a fixed rate equivalent to 6.0% p.a. CRISP assigned a "AAA" rating on the bonds indicating that it has a minimal credit risk owing to the Parent Company's capacity to repay its debt obligations. AAA is the highest rating assigned by CRISP.

Philippine Peso 11-year Bonds due 2025
In April 2014, the Parent Company issued a total of P8,000.0 million bonds due 2025 at a fixed rate equivalent to 5.6% p.a. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook, by PhilRatings.

Philippine Peso 7.0 Billion Fixed Rate Bonds due 2022
In April 2015, the Parent Company issued a total of P7,000.0 million bonds due 2022 at a fixed rate equivalent to 4.5% p.a. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook, by PhilRatings.

Philippine Peso 9-year and 6-month Bonds due 2025
In April 2016, the Parent Company issued a total of P7,000.0 million bonds due 2025 at a fixed rate equivalent to 4.75% p.a. The Bonds is the second tranche of the Fixed-rate Bonds Series under the Parent Company's P50,000.0 million Debt Securities Program registered in the SEC. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook, by PhilRatings.

Philippine Peso 7-year and 10-year Bonds due 2026
In March 2016, the Parent Company issued a total of P8,000.0 million bonds due 2026 at a fixed rate equivalent to 4.85% p.a. The Bonds is the first tranche of the Fixed-rate Bonds Series under the Parent Company's P50,000 million Debt Securities Program registered in the SEC. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook, by PhilRatings. In May 2019, the Parent Company issued an P8,000.0 million fixed rate bond due 2026 at a rate equivalent to 6.369% p.a. The Bonds represent the first tranche of debt securities issued under the Parent Company's new P50,000.0 million Debt Securities Program registered with the SEC, and listed on the PDEx. The Bonds have been rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 3-Year Homestarter Bond due 2019 and 7-year Bonds due 2023
In October 2016, the Parent Company issued a total of P10,000.0 million bonds, broken down into a P3,000.0 million Homestarter bond due 2019 at a fixed rate of 3.0% p.a. and a P7,000.0 million fixed rate bond due 2023 at a rate equivalent to 3.8915% p.a. The Bonds represent the first tranche of Homestarter Bonds series and the third tranche of the Fixed-rate Bonds Series issued under the Parent Company's P50,000.0 million Debt Securities Program registered with the SEC, and listed in the PDEx. The Bonds have been rated PRS Aaa with a Stable Outlook by PhilRatings. In 2017, the Parent Company paid P9.1 million as an early down payment of the outstanding 3-Year Homestarter Bond. In 2018, the Parent Company paid P8.4 million as an early down payment of the outstanding 3-Year Homestarter Bond. The Parent Company fully paid the remaining Homestarter Bond on October 21 and December 23, 2019.

Philippine Peso 7-year and 3-month and 10-year Bonds due 2027
In May 2017, the Parent Company issued a P7,000.0 million fixed rate bond due 2027 at a rate equivalent to 5.2624% p.a. The Bonds represent the fourth tranche of the Fixed-rate Bonds Series issued under the Parent Company's P50,000.0 million Debt Securities Program registered with the SEC, and listed in PDEx. The Bonds have been rated PRS Aaa with a Stable Outlook by PhilRatings. In November 2019, the Parent Company issued a P1,000.0 million fixed rate bond due 2027 at a rate equivalent to 4.9899 % p.a. This was the third tranche of bonds issued under the new P50,000.0 million

shelf registration of the Parent Company. The Bonds have been rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 10-year Bonds due 2028
In April 2018, the Parent Company issued a P10,000.0 million fixed rate bond due 2028 at a rate equivalent to 5.9203% p.a. and subject to repricing on 27 April 2023, the fifth anniversary of the Issue Date, at the higher of 5.9203% or the prevailing 5-year benchmark plus 75 bps. The Bonds represent the fifth tranche of the Fixed-rate Bonds Series issued under the Parent Company's P50,000.0 million Debt Securities Program registered with the SEC,and listed in the PDEx. The Bonds have been rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 5-year Bonds due 2023
In October 2018, the Parent Company issued a P8,000.0 million fixed rate bond due 2023 at a rate equivalent to 7.0239% p.a. The Bonds represent the sixth and final tranche of the Fixed-rate Bonds Series issued under the Parent Company's P50,000.0 million Debt Securities Program registered with the SEC, and listed on the PDEx. The Bonds have been rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 2-year Bonds due 2021
In November 2019, the Parent Company issued a P9,000.0 million fixed rate bond due 2021 at a rate equivalent to 4.2463% p.a. The Bonds form part of the third tranche of debt securities issued under the Parent Company's new P50,000.0 million Debt Securities Program registered with the SEC, and listed on the PDEx. The Bonds have been rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 5-, 10-, 15-Year FXCN due on 2016, 2021 and 2026
In January 2011, the Parent Company issued P10,000.0 million FXCNs to various financial institutions and retail investors. The notes will mature on various dates up to 2026. The FXCNs bear fixed interest rates ranging from 5.6% to 7.5% p.a. depending on the term of the notes. The Company prepaid P1,950.0 million of notes due in 2016 on January 19, 2013. In 2014, the Parent Company paid P43.0 million for the matured portion of the loan. In January 2016, the Parent Company paid P3,750 million notes for the matured portion of the loan. In 2017, the Parent Company paid P43.0 million for the matured portion of the loan. In 2018, the Company prepaid P3,234.0 million notes and paid P10.0 million for the matured portion of the loan. In 2019, the Parent Company paid P10.0 million for the matured portion of the loan. As of December 31, 2019, and 2018, the remaining balance of the FXCN amounted to P960.0 million and P970.0 million, respectively.

Philippine Peso 10-year Note due 2023
In December 2012, the Parent Company executed a P5,000.0 million committed Corporate Note facility with a local bank, of which an initial P3,500.0 million was drawn in 2012. The balance of P1,500.0 million was subsequently drawn in January 2013. Notes currently bear a fixed interest rate of 4.5%. The Corporate Notes will mature on the third month succeeding the tenth anniversary of the initial drawdown date. In 2015, P50.0 million was prepaid by the Company. In 2016, another P50.0 million worth of amortization was paid by the Parent Company. In 2017, the Parent Company paid another amortization in the amount of P50.0 million. In 2018, another P50.0 million worth of amortization was paid by the Company. In 2019, the Parent Company paid another amortization in the amount of P50.0 million. As of December 31, 2019, and 2018, the remaining balance of the note amounted to P4,750.0 million and P4,800.0 million, respectively.

Peso-denominated Long-term Loans
In March and April 2019, the Company executed and drew in two tranches a P13,000.0 million long-term facility. The loan which was drawn at P6,500.0 each, carries a fixed interest rate of 6.2720% and 6.3070%, respectively.

In March 2018, the Company executed and drew in one lump sum a P5,000.0 million long-term facility. The loan has a fixed interest rate of 6.9062% for 10 years inclusive of Gross Receipt Tax (GRT).

In March 2017, the Company executed a P10,000.0 million long-term facility and had an initial drawdown of P5,000.0 billion. The loan has a fixed interest rate of 4.949% for 10 years inclusive of GRT. The balance of P5,000.0 billion was drawn in April 2017.

In August to September 2015, the Company assumed an aggregate of P15,442.3 million various long-term facilities of some Subsidiaries from various banks. The loans bear fixed interest rates ranging from 4.5% to 4.725% p.a. and terms ranging from 4.4 years to 10.5 years. In March 2016, the Company additionally assumed from ALI Makati Hotel Property, Inc. US$30.0 million in long-term loans from the Bank of the Philippine Islands. The loan carried a floating interest rate based on a credit spread over the three-month US Dollar London Interbank Offered Rate (LIBOR) and is repriceable quarterly. The loan was prepaid in December 2018.

As of March 31, 2020, and December 31, 2019, remaining aggregate balance of the Peso-denominated long-term loans amounted to P46,079.5 million and P41,885.1 million, respectively.

US Dollar-denominated Long-term Loans
In November 2019, the Parent Company executed and had simultaneously drawn a US$125.0 million long-term facility. The loan bears a floating interest rate based on a credit spread over the three-month US Dollar London Interbank Offered Rate (LIBOR), repriceable quarterly. The proceeds were on lent to MCT to refinance its existing loans. The loan will mature on the fifth anniversary of the initial drawdown date.

As of March 31, 2020, and December 31, 2019, the remaining aggregate balance of US Dollar denominated long term loans amounted to P6,335.0 million and P6,329.4 million, respectively.

Subsidiaries

The subsidiaries' loans will mature on various dates up to 2028. Peso-denominated loans bear various floating interest rates at 50 bps to 80 bps spread over the benchmark 90-day PDST-R2/PHP BVAL Reference Rates or and fixed interest rates ranging from 3.55000% to 5.32% p.a. Certain loans which are subject to floating interest rates are subject to floor floating interest rates equivalent to (i) 95.0% or at par of the Overnight Reverse Repurchase Agreement Rate of the Bangko Sentral ng Pilipinas (BSP Overnight Rate) or (ii) the BSP Overnight Rate plus a spread of 20 bps to 75 bps p.a or (iii) the average of the BSP Overnight Deposit Rate and Term Deposit Facility Rate with a term closed to the 90-day interest period. The total outstanding balance of the subsidiaries' loans as of March 31, 2020 and December 31, 2019 amounted to ₱28,981.7 million and ₱25,401.3 million, respectively.

Philippine Peso 5.0 Billion Fixed Rate Bonds due 2021
In September 2014, Cebu Holdings, Inc. issued a total of ₱5,000.0 million bonds due 2021 at a fixed rate equivalent to 5.32% p.a. The Bonds have been rated PRS Aaa by PhilRatings, indicating that obligor's capacity to meet its financial commitment on the obligation is extremely strong.

The loan agreements contain some or all of the following restrictions: material changes in nature of business; maintenance of debt-to-equity ratio; payment of dividends and additional loans maturing beyond a year which will result in a violation of the required debt-to-equity ratios; merger or consolidation where the Company/subsidiary is not the surviving corporation; guarantees or advances; encumbrance for borrowed money; and sale of substantially all assets. These restrictions and requirements were complied with by the Group as of March 31, 2020 and December 31, 2019.

13. Accounts and Other Payables

The accounts and other payables as of March 31, 2020 is broken down as follows:

Accounts and other payables (in million pesos)	**As of March 31, 2020**	**As of December 31, 2019**
Accounts payable	**₱70,734**	₱84,660
Taxes payable	**23,005**	22,488
Accrued project costs	**16,842**	18,269
Liability for purchased land	**11,392**	9,937
Accrued salaries & employee benefits	**5,649**	5,792
Retention payable	**4,741**	4,094
Accrued professional & management fees	**4,667**	3,837
Accrued repairs and maintenance	**2,988**	1,903
Interest payable	**2,186**	2,156
Accrued utilities	**1,471**	2,335
Accrued advertising and promotions	**1,268**	1,318
Accrued rentals	**1,090**	1,082
Payable to related parties	**881**	1,034
Dividends payable	**764**	632
Other accrued expenses	**2,544**	3,441
Total	**₱150,222**	**₱162,979**

14. Deposits and other current liabilities

This account consists of:

(in thousand pesos)	**Mar 31, 2020**	**Dec 31, 2019**
Security and customers' deposits	**₱11,173,102**	₱25,129,315
Other current liabilities	**593,942**	343,266
Total	**₱11,767,044**	₱25,472,581

Security deposits are equivalent to three (3) to six (6) months' rent of tenants with cancellable lease contracts and whose lease term will end in the succeeding year. This will be refunded to the lessees at the end of the lease term or be applied to the last months' rentals on the related contracts.

Customers' deposits consist of collections from real estate customers which have not reached the 10% threshold to qualify for revenue recognition.

Other current liabilities mostly pertain to estimated liability on property development and unearned income.

15. Deposits and other noncurrent liabilities

This consists of:

(in thousand pesos)	**Mar 31, 2020**	**Dec 31, 2019**
Deposits and contractors payable	**₱40,859,383**	₱29,051,778
Liability for purchased land	**2,178,725**	5,341,766
Retentions payable	**6,576,042**	6,752,120
Deferred Output VAT	**1,590,921**	1,721,402
Subscriptions payable	**498,116**	498,175
Others liabilities	**378,417**	638,395
Total	**₱52,081,604**	₱44,003,636

Deposits include security deposits from tenants of retail and office spaces and deferred credits arising from sale of real estate properties. Security deposits are equivalent to three (3) to six (6) months' rent of long-term tenants with non-cancellable leases. This will be refunded to the lessees at the end of the lease term or be applied to the last months' rentals on the related contracts. Deferred credits pertain to advances from buyers of real estate properties to cover various processing fees including, but not limited to, fees related to transfer of title such as registration fees, documentary taxes and transfer taxes. Payments made by the Group for the processing of title are charged to this account.

Contractors payable represents estimated liability on property development.

Retentions payable pertains to the amount withheld by the Group on contractor's billings to be released after the guarantee period, usually one (1) year after the completion of the project or upon demand. The retention serves as a security from the contractor should there be defects in the project.

Liability for purchased land pertains to the portion of unpaid unsubdivided land acquired during the year. These are normally payable in quarterly or annual installment payments within three (3) or five (5) years.

DRP obligation pertains to the liability arising from the assignment agreement between NTDCC and MRTDC of the latter's development rights (see Note 36). In consideration of the lease, the Company will be charged an annual rent related to the original DRP obligation on the MRTDC and 5% of the rental income from the Company's commercial center business.

The Group's subscription payable pertains to ALLHC's investment in Cyber Bay.

Other liabilities include nontrade payables, accrued payables and warranty payables.

16. Equity

Treasury Shares

On February 28, March 11, March 12, and March 16, 2020, Ayala Land, Inc. purchased a total of 4,412,000 common shares at an average price of P35.67/share for a total consideration of P156.4 million, pursuant to its share buyback program.

On February 21, 2020, the Board of Directors of Ayala Land, Inc. at its regular meeting approved the increase of an additional P25 billion to the Company's current share buyback program bringing the available balance to P26.1 billion. The program will be implemented through open market purchases executed via the trading facilities of the Philippine Stock Exchange.

On March 5, 2019, pursuant to its share buyback program as disclosed last August 12, 2008, Ayala Land, Inc. (ALI) purchased 10,372,746 common shares at a price of P43.20/share for a total consideration of P448.1 million. As a result of the transaction, total outstanding shares decreased to 14,724,508,335. On November 26, 2019, ALI also acquired a total of 15,000,000 of its common shares at P43.75/share for a total purchase price of P656.3 million.

Declaration of Cash Dividends

On February 20, 2020, the Board of Directors during its meeting approved the declaration of cash dividends of P0.268 per outstanding common share. The cash dividend was paid on March 20, 2020 to stockholders of common shares as of record date March 6, 2020.

On February 27, 2019, the Board of Directors during its meeting approved the declaration of cash dividends of P0.26 per outstanding common share. The cash dividend was paid on March 29, 2019 to stockholders of common shares as of record date March 13, 2019.

On May 24, 2019, the Board of Directors during its meeting approved the declaration of cash dividends of P0.00474786 per outstanding preferred share. The cash dividend was paid on June 21, 2019 to stockholders of preferred shares as of record date June 7, 2019.

On October 31, 2019, the Board of Directors during its meeting approved the declaration of cash dividends of P0.26 per outstanding common share. The second-half regular cash dividends, together with the first-half cash dividends is equivalent to an annual dividend payout ratio of 26% of prior years' earnings. The cash dividend will be paid on November 29, 2019 to stockholders of common shares as of record date November 15, 2019.

Employee Stock Ownership Plan

On February 27, 2019, the Board of Directors approved the grant to qualified executives, stock options pursuant to the company's Employee Stock Ownership Plan (the "Plan"), covering up to 14,430,750 common shares at a subscription price of P44.49 per share equivalent to the average closing price of ALI common shares at the Philippine Stock Exchange for 30 consecutive trading days ending February 26, 2019.

On April 30, 2019, 152 stock option grantees subscribed to 10,073,389 common shares at P44.49 per share and became effective on the same day. As a result of the subscription of the 152 stock option grantees, the number of ALI outstanding common shares increased to 14,734,581,724.

AyalaLand Logistics Holdings, Corp. formerly Prime Orion Philippines, Inc.

On February 4, 2019, The Executive Committee of Ayala Land, Inc. (ALI) approved the purchase of a 20% equity interest owned by Mitsubishi Corporation in Laguna Technopark, Inc. (LTI), equivalent to 8,051 common shares, with a total value of P800 million. Subsequently, ALI will exchange the 20% equity interest in LTI for additional shares of stock in Prime Orion Philippines, Inc. (POPI), equivalent to 323,886,640 common shares, subject to conditions to be fulfilled by POPI.

On May 10, 2019, Prime Orion Philippines, Inc., changed its corporate name to Ayalaland Logistics Holdings Corp. (ALLHC).

On June 10, 2019, ALI sold its 20% equity interest or 8,051 common shares in LTI to ALLHC for a consideration of P800 million.

On September 9, 2019, Orion Land, Inc. sold through a special block sale, 215,090,031 common shares of ALLHC to its affiliate, Avida Land Corporation for a total consideration of P628,062,891.00. On September 27, 2019, ALI acquired the 215,090,031 common shares of ALLHC from Avida Land Corp. through a special block sale at P2.92/share for a total consideration of P628,062,891.00. As a result of the transaction, ALI's effective ownership in ALLHC increased to 71.68%.

17. Business Combinations and Acquisition of Non-Controlling Interests

Acquisition of Non-Controlling Interest

AyalaLand Logistics Holdings, Corp. (ALLHC) formerly Prime Orion Philippines, Inc. (POPI) and Laguna Technopark, Inc. (LTI)

In January 2018, ALI purchased additional 202,774,547 shares of POPI from Genez Investment Corporation for P497.7 million increasing the Company's ownership to 67%.

In February 2017, ALI purchased additional 631,000 common shares of POPI from BPI Securities Corporation for P1.26 million. ALI's interest remains at 51% of the total POPI's outstanding capital stock.

In June 2017, Orion Land, Inc. (OLI), a subsidiary of POPI, acquired 512,480,671 common shares equivalent to 11.69% ownership at P2.45 share amounting to P1,255.58 million. The acquisition of shares by OLI was treated as an acquisition of non-controlling interest resulting to a debit-to-equity reserves of P405.18 million.

On February 4, 2019, The Executive Committee of Ayala Land, Inc. (ALI) approved the purchase of a 20% equity interest owned by Mitsubishi Corporation in Laguna Technopark, Inc. (LTI), equivalent to 8,051 common shares, with a total value of P800 million. Subsequently, ALI will exchange the 20% equity interest in LTI for additional shares of stock in Prime Orion Philippines, Inc. (POPI), equivalent to 323,886,640 common shares, subject to conditions to be fulfilled by POPI.

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Business Combination

MCT Bhd

On January 2, 2018, Ayala Land, Inc., (ALI) through its wholly-owned subsidiary, Regent Wise Investments Limited (RWIL), signed a share purchase agreement to acquire an additional 17.24% share in MCT Bhd (MCT), subject to completion of certain conditions.

On January 5, 2018, the transfer of shares was completed, increasing the Company's shareholding in MCT to 50.19% from 32.95%. RWIL also issued a notice of an unconditional mandatory take-over offer to the Board of Directors of MCT, to acquire all remaining shares of the company that are not already held by RWIL, following the completion of certain conditions to the share purchase agreement.

The mandatory take-over offer made in connection to the acquisition of additional shares in MCT closed as of 5:00 p.m. (Malaysian time) 19 February 2018. Owners of 295,277,682 shares accepted the offer, equivalent to 22.12% of MCT's total outstanding shares. As a result of the offer, ALI's shareholdings in MCT increased from 50.19% to 72.31%. Total consideration paid is P5.98 billion

On March 23, 2018, the Irredeemable Convertible Unsecured Loan Stock of Dato Sri Tong and Tan Sri Barry Go, founders of MCT, were converted into 122,218,357 MCT shares. This resulted in a 6.07% dilution of ALI's stake in MCT as of date of share issuance. As such, the current ownership stake of ALI in MCT is 66.25%.

Subsequently, the Group remeasured its previously held interest in MCT based on its acquisition-date fair value which resulted to a remeasurement loss of P1.79 billion.

The Group finalized the purchase price allocation of its acquisition of MCT through business combination in December 2018. The final purchase price allocation resulted in gain from bargain purchase of P1.85 billion.

The net gain of P60 million from the acquisition is presented under 'Other income' account in the consolidated statements of income.

The following are the fair values of the identifiable assets and liabilities assumed.

ASSETS	**in Php thousands**
Cash	₱1,078,224
Trade and other receivables	2,833,560
Inventories	13,620,873
Investment properties	5,712,635
Property, plant and equipment	4,599,423
Other noncurrent assets	69,222
Total Assets	₱27,913,937
LIABILITIES	
Accounts and other payables	₱5,506,336
Borrowings	2,752,114
Tax liabilities	128,551
Other payables	2,287,772
Total Liabilities	₱10,674,773
Net Assets	17,239,175
Total net assets acquired to date	12,465,640
Carrying cost	(10,611,567)
Net negative goodwill	₱1,854,073

The fair value of the trade and other receivables approximate their carrying amounts since these are short-term in nature. None of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

From January 8 to December 31, 2018, the Group's share in MCT's revenue and net income amounted to P7.6 billion and P1.3 billion.

18. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates.

Terms and Conditions of Transactions with Related Parties

In its regular conduct of business, the Group has entered into transactions with associates and other related parties principally consisting of advances and reimbursement of expenses, purchase and sale of real estate properties, construction contracts, development, management, underwriting, marketing, leasing and administrative service agreements.

Transactions with related parties are made at normal market prices. There have been no guarantees provided or received for any related party receivables or payables. The Group does not provide any allowance relating to receivable from related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

The following provide the total amount of transactions that have been entered into with related party for the relevant financial year:

a. Transactions with BPI, an associate of AC

As of March 31, 2020, and December 31, 2019, the Group maintains current and savings account, money market placements and short/long-term debt payable with BPI broken down as follows:

(in million pesos)	**March 31, 2020** **Unaudited**	December 31, 2019 Audited
Cash in bank	₱6,531	₱3,942
Cash equivalents	526	906
Marketable Securities	78	80
Short-term debt	6,532	9,399
Long-term debt	15,544	14,315

b. Outstanding balances from/to related parties

	Receivables from Related Parties		**Payables to Related Parties**	
In million pesos	**March 2020**	**December 2019**	**March 2020**	**December 2019**
Ayala Corp. & Other Related Parties				
Ayala Corporation	₱140	₱144	₱236	₱287
Globe Telecom, Inc.	153	146	9	6
Bank of the Philippine Islands	194	176	89	60
Columbus	-	-	267	267
Others	825	556	145	169
	₱1,312	**₱1,022**	**₱746**	**₱789**
ALI – Associates				
AKL Properties	₱3	₱-	₱-	₱-
ALI ETON Property Development Corp.	₱3,269	₱3,267	4	4
Fort Bonifacio Development Corp.	358	1,515	2	2
Alveo-Federal Land Communities, Inc.	1	155	-	-
Cebu District Property Enterprise, Inc.	278	136	1	-
Lagoon Development Corporation	3	10	21	26
Bonifacio Land Corp.	1	1	103	213
Berkshires Holdings Inc.	-	-	-	-
Emerging City Holdings, Inc.	-	-	-	-
Esta Galleria, Inc.	-	-	4	-
Ortigas & Co. Ltd. Partnership	-	-	-	-
Tianjin Eco City Ayala	24	24	-	-
	₱3,937	**₱5,108**	**₱135**	**₱245**
Total	**₱5,249**	**₱6,130**	**₱881**	**₱1,034**

c. Revenues and expenses from/to related parties

	Revenues from Related Parties		**Expenses to Related Parties**	
In million pesos	**March 2020**	**March 2019**	**March 2020**	**March 2019**
Ayala Corp. & Other Related Parties				
Ayala Corporation	₱1	₱1	₱3	₱2
Bank of the Philippine Islands	108	93	-	20
Globe Telecom, Inc.	38	51	17	12
Manila Water Philippines Ventures, Inc.	70	43	38	20
Manila Water Company, Inc.	-	1	81	103
Innove Communications	2	2	16	17
Laguna AAA Waterworks Corp.	-	-	2	2
Ayala Group Counselors Corporation	-	-	12	66
BPI Family Savings Bank	-	-	-	125
HCX Technology Partners, Inc.	-	-	6	13
G-Exchange, Inc.	-	-	18	9
ISUZU Automotive Dealership, Inc.	-	-	1	2
BPI MS Insurance Corp.	-	-	160	-
Manila Water Total Solutions Corp	-	-	2	2
	₱219	**₱191**	**₱356**	**₱393**
ALI - Associates				
Fort Bonifacio Development Corp.	₱267	₱555	₱70	₱57
ALI ETON Property Development Corp.	115	124	-	-
Alveo-Federal Land Communities, Inc.	63	41	11	-
Lagoon Development Corporation	4	9	-	-
Cebu District Property Enterprise, Inc.	3	7	-	-
Esta Galleria, Inc.			8	-
	₱452	**₱736**	**₱89**	**₱57**
Total	**₱671**	**₱927**	**₱445**	**₱450**

19. Financial Risk Management Objectives and Policies

The Group’s principal financial instruments comprise of cash and cash equivalents, short-term investment, financial assets at FVPL, AFS quoted and unquoted equity securities, investments in bonds, bank loans, corporate notes and bonds. The financial debt instruments were issued primarily to raise financing for the Group’s operations. The Group has various financial assets such as trade receivables and trade payables which arise directly from the conduct of its operations.

Exposure to liquidity, credit, interest rate, currency and equity risks arise in the normal course of the Group’s business activities. The main objectives of the Group’s financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The use of derivative financial instruments, if any, is solely for management of the Group’s financial risk exposures. It is the Group’s policy not to enter into derivative transactions for speculative purposes.

The Group’s financing and treasury function operates as a centralized service for managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Group.

There were no changes in the Group’s financial risk management objectives and policies as of March 31, 2020.

Liquidity risk

Liquidity risk is defined by the Group as the risk of losses arising from funding difficulties due to deterioration in market conditions and/or the financial position of the Group that make it difficult for the Group to raise the necessary funds or that forces the Group to raise funds at significantly higher interest rates than usual.

This is also the possibility of experiencing losses due to the inability to sell or convert marketable securities into cash immediately or in instances where conversion to cash is possible but at loss due to wider than normal bid-offer spreads.

The Group employs scenario analysis and contingency planning to actively manage its liquidity position and guarantee that all operating, investing and financing needs are met. The Group has come up with a three-layered approach to liquidity through the prudent management of sufficient cash and cash equivalents, the potential sale of accounts receivables and the maintenance of short-term revolving credit facilities.

Cash and cash equivalents are maintained at a level that will enable it to fund its general and administrative expenses as well as to have additional funds as buffer for any opportunities or emergencies that may arise. Management develops viable funding alternatives through a continuous program for the sale of its receivables and ensures the availability of ample unused short-term revolving credit facilities from both local and foreign banks as back-up liquidity.

The Group ascertains that its cash is invested in short-term bank placements and special deposit accounts, as well as in high-quality and marketable government and corporate securities.

Credit risk

The Group's credit risks are primarily attributable to installments receivable, rental receivables and other financial assets. To manage credit risks, the Group maintains defined credit policies and monitors its exposure to credit risks on a continuous basis.

In respect of installments receivable from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Group also undertakes supplemental credit review procedures for certain installment payment structures.

The Group's stringent customer requirements and policies in place contribute to lower customer default than its competitors. Customer payments are facilitated through various collection modes including the use of postdated checks and auto-debit arrangements. Exposure to bad debts is not significant as title to real estate properties are not transferred to the buyers until full payment has been made and the requirement for remedial procedures is minimal given the profile of buyers.

Credit risk arising from rental income from leasing properties is primarily managed through a tenant selection process. Prospective tenants are evaluated on the basis of payment track record and other credit information. In accordance with the provisions of the lease contracts, the lessees are required to deposit with the Group security deposits and advance rentals which helps reduce the Group's credit risk exposure in case of defaults by the tenants. For existing tenants, the Group has put in place a monitoring and follow-up system. Receivables are aged and analyzed on a continuous basis to minimize credit risk associated with these receivables. Regular meetings with tenants are also undertaken to provide opportunities for counseling and further assessment of paying capacity.

Other financial assets are comprised of cash and cash equivalents excluding cash on hand, short-term investments, financial assets at FVPL and AFS financial assets. The Group adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank limits are established on the basis of an internal rating system that principally covers the areas of liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail in meeting their obligations. Nevertheless, the Group closely monitors developments over counterparty banks and adjusts its exposure accordingly while adhering to pre-set limits.

Interest rate risk

The Group's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rate as it can cause a change in the amount of interest payments.

The Group manages its interest rate risk by leveraging on its premier credit rating and increasing the fixed interest component of its debt portfolio.

Foreign currency risk

Financial assets and credit facilities of the Group, as well as major contracts entered into for the purchase of raw materials, are mainly denominated in Philippine Peso. The Group's placements in foreign currencies is more than the amount of foreign currency-denominated debt.

Equity price risk

Quoted AFS financial assets are acquired at a certain price in the market. Such investment securities are subject to price risk due to changes in market values of instruments arising either from factors specific to individual instruments or their issuers or factors affecting all instruments traded in the market. Depending on several factors such as interest rate movements, country's economic performance, political stability, domestic inflation rates, these prices change, reflecting how market participants view the developments.

Risks related to COVID-19

During the preparation of this report, the Philippines is experiencing the COVID-19 global pandemic. While this is not part of the 10 key risks identified, Ayala Land has acknowledged this as a prominent risk which will affect its business in 2020 with possible spillover effects to 2021. The Company, as early as January 2020, has monitored the situation in Wuhan, China and flagged the virus as a potential emerging risk. With the escalation of the COVID-19 pandemic, the Company mobilized the business units to revisit their respective business continuity plans (BCP) to mitigate the risk impact to operations. Ayala Land observes national and local government advisories and directives as well as the best practices conveyed by the World Health Organization (WHO) and the Philippine Department of Health (DOH). The Company strictly follows the guidelines set by the national and local government agencies to support its endeavor to stem the spread of the COVID-19 virus.

Pandemic events usually have a long gestation and pose a greater risk of exposing personnel and negatively impacting business operations. Each business unit reviewed loss scenarios under their BCPs such as:

1. Loss of premises or day-to-day workplace;
2. Loss of critical people; and
3. Loss of critical third-party service providers for an extended period of time

Learnings from this pandemic will be used to improve BCPs moving forward.

Fair Value Information

The following tables set forth the carrying values and estimated fair values of the Groups financial assets and liabilities recognized as of March 31, 2020 and December 31, 2019.The methods and assumptions used by the Group is estimating the fair value of the financial instruments are as follows:

Cash & Cash equivalents, short term investments and current receivables, accounts and other payables, current payables and short-term debt- Carrying amounts approximate fair values due to relatively short-term maturities of these financial instruments.

Financial assets at FVPL- UITF - These are investments in fund. Fair value is based on the net asset value as of reporting dates.

Noncurrent accounts and notes receivables- The fair values of residential accounts and notes receivable from employees, are based on the discounted value of future cash flow using the applicable rates for similar types of instruments. The discount rates used ranged from 3.15% to 4.92% as of March 31, 2020 and 2.88% to 5.10% as of December 31, 2019.

AFS quoted equity securities- Fair values are based on the quoted prices published in markets.

AFS unquoted equity securities - These are carried at cost less allowance for impairment losses because fair values cannot be measured reliably due to lack of reliable estimates of future cash flows and discount rates necessary to calculate the fair value.

Liabilities - the fair value of noncurrent unquoted instruments (long term debt and deposits) are estimated using the discounted cash flow methodology using the Group's current incremental borrowing rates for similar borrowings with maturities consistent with those remaining for the liability being valued. The discount rates used ranged from 0.66% to 5.25% and 4.42% to 6.09% as of March 31, 2020 and December 31, 2019 respectively. The fair value of noncurrent unquoted debt instruments with floating rates as estimated using the discounted cash flow- last pricing method.

20. Fair Value Hierarchy

The group uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1. Quoted (unadjusted prices) in actives markets for identical assets and liabilities

Level 2. Other techniques for which all inputs which have significant effect of the recorded fair value are observable, either directly or indirectly.

Level 3. Techniques which use inputs which have significant effect on the recorded fair value that are not based on observable market data.

The company categorizes trade receivable, investment in bonds classified as loans and receivables, receivables from employees, long term debt and deposits and other noncurrent liabilities under level 3. The fair value of these financial instruments is determined by discounting future cash flows using the applicable rates of similar types of instruments plus a certain spread. This spread is the un-observable input and the effect of changes to this is that the higher spread, the lower the fair value.

There have been no reclassifications from level 1 to Level 2 categories in March 31, 2020 and December 31, 2019.

	March 31, 2020		December 31, 2019	
(in millions)	**Carrying Value**	**Fair Value**	**Carrying Value**	**Fair Value**
Financial Asset at FVPL	₱470	₱470	₱485	₱485
Financial Asset at FVOCI				
Unquoted equity securities	121	124	566	566
Quoted equity securities	1,401	1,436	963	963
Total	₱1,992	₱2,030	₱2,014	₱2,014
Loans and Receivables				
Trade residential and office development	₱120,418	₱121,041	₱116,574	₱116,574
Receivables from employees	938	938	901	901
Total	₱121,355	₱121,979	₱117,475	₱117,475
Other Financial Liabilities				
Long-term debt	₱196,023	₱196,396	₱193,064	₱196,619
Deposits and other noncurrent liabilities	21,271	21,271	42,282	36,226
Total	**₱217,294**	**₱217,668**	₱235,346	₱232,845

The following table provides the fair value hierarchy of the Group's financial assets which are measured at fair value as of March 31, 2020 and December 31, 2019:

(in millions) **March 31, 2020**	**Date of valuation**	**Total**	**Quoted prices in Active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant observable inputs (Level 3)**
Financial assets at fair value through profit and loss					
Investment in Unit Investment Trust Fund	Mar 31, 2020	₱58	₱-	₱58	₱-
Investment in Arch Capital Fund	Mar 31, 2020	412	-	-	412
		₱470	₱-	₱58	₱412
Financial assets at fair value through other comprehensive income					
Quoted	Mar 31, 2020	₱1,401	₱1,401	₱-	₱-
Unquoted	Mar 31, 2020	121	-	-	121
		1,522	1,401	-	121
Total		**₱1,992**	**₱1,401**	**₱58**	**₱533**

(in millions) December 31, 2019	Date of valuation	Total	Quoted prices in Active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Financial assets at fair value through profit and loss					
Investment in Unit Investment Trust Fund	Dec 31, 2019	₱96	₱-	₱96	₱-
Investment in Arch Capital Fund	Dec 31, 2019	389	-	-	389
		₱485	₱-	₱96	₱389
Financial assets at fair value through other comprehensive income					
Quoted	Dec 31, 2019	₱963	₱963	₱-	₱-
Unquoted	Dec 31, 2019	566	-	-	566
		1,529	974	-	566
Total		**₱2,014**	**₱963**	**₱96**	**₱955**

A reconciliation of the beginning and closing balances of Level 3 financial assets at fair value through other comprehensive income are summarized below.

(in millions)	Mar 2020	December 2019
At the beginning of period	₱566	₱582
Additions	-	-
Disposals/redemptions	(445)	(16)
Recognized in statement of income	-	-
At end of the period	₱121	₱566

21. Statement of Cash Flows

Disclosed below is the roll forward of liabilities under financing activities:

(in millions)	2019	Cash Flows	Non-Cash Changes Acquisition	FOREX Movement	Fair value Changes	2020
Long-term debt-net of current portion	₱175,813	2,807	-	-	-	178,620
Current Portion of Long-term debt	17,251	153	-	-	-	17,403
Short-term debt	18,033	16,647	-	-	-	34,680
Dividends Payable	632	132	-	-	-	764
Deposits & Other noncurrent liabilities	39,899	(7,669)	-	-	-	32,230
Total liabilities from financing activities	**₱251,628**	**12,069**	**-**	**-**	**-**	**₱263,697**

22. Segment information

The industry segments where the Group and its associates and joint ventures operate are as follows:

- Property Development - sale of high-end and upper middle-income residential lots and units, affordable housing units and lots, economic housing and leisure community developments; lease of residential developments under joint venture and the sale of office condominiums, and commercial and industrial lots

- International Business– operations of MCT Bhd, Ayala Land's consolidated subsidiary in Malaysia; also included under Property Development revenues in the Management's Discussion and Analysis Section

- Shopping Centers - development of shopping centers and lease to third parties of retail space and land therein; operation of movie theaters, food courts, entertainment facilities and carparks in these shopping centers; management and operation of malls which are co-owned with partners

- Offices - development and lease of office buildings and the development and lease of factory building

- Hotels and Resorts - development and management of hotels and resorts, lease of land to hotel tenants

- Construction - land development and construction of the Group and third-party projects

- Property management - facilities management of the Group and third-party projects including its power service companies Direct Power Services, Inc. (DPSI), Ecozone Power Management, Inc. (EPMI), Philippine Integrated Energy Solutions, Inc. (PhilEnergy), and air transport company AirSWIFT which serves the requirements of ALI's resorts business.

- Others - other income from investment activities and sale of noncore assets.

The Company and its subsidiaries generally account for inter-segment sales and transfers as if the sales and transfers were to third parties at current market prices.

YTD March 2020	**Property Development**	**International Business**	**Shopping Centers**	**Offices**	**Hotels and Resorts**	**Construction**	**Property Management and Others**	**Corporate**	**Intersegment Adjustment**	**Consolidated**
(in million pesos)										
Revenues										
Sales to external customers	14,619	939	4,649	2,474	1,590	645	1,284	-	-	26,200
Intersegment sales	-	-	-	-	-	-	-	-	-	-
Equity in net earnings of Investees	155	-	4	-	-	-	-	112	-	271
Total Revenues	**14,774**	**939**	**4,653**	**2,474**	**1,590**	**645**	**1,284**	**112**	**-**	**26,471**
Operating Expenses	10,880	764	2,636	1,118	1,439	(112)	1,260	142	-	18,127
Operating Profit	**3,894**	**175**	**2,017**	**1,356**	**151**	**757**	**24**	**(30)**	**-**	**8,344**
Interest income	-		-	-	-	-	-	-	-	1,824
Interest expense	-		-	-	-	-	-	-	-	(3,234)
Other income (expense)	-		-	-	-	-	-	-	-	108
Other charges	-		-	-	-	-	-	-	-	(159)
Provision for income tax	-		-	-	-	-	-	-	-	(1,843)
Net Income	-		-	-	-	-	-	-	-	5,040
Net Income attributable to:										
Equity holders of Ayala Land, Inc.	-		-	-	-	-	-	-	-	4,322
Minority interests	-		-	-	-	-	-	-	-	718
										5,040
Other information										
Segment assets	532,330	22,215	208,330	110,224	83,659	53,635	6,876	68,907	(406,292)	679,884
Investment in associates and jointly controlled entities	25,223	-	40	-	-	56	191	71	-	25,581
Deferred tax assets	1,794	-	877	173	360	83	60	866	7,000	11,213
Total assets	**559,347**	**22,215**	**209,247**	**110,397**	**84,019**	**53,774**	**7,127**	**69,844**	**(399,292)**	**716,678**
Segment liabilities	220,106	11,327	138,761	61,764	69,505	43,889	3,285	60,126	(141,662)	467,101
Deferred tax liabilities	1,959	-	195	102	9	-	-	24	4,371	6,660
Total liabilities	**222,065**	**11,327**	**138,956**	**61,866**	**69,514**	**43,889**	**3,285**	**60,150**	**(137,291)**	**473,761**
Segment additions to										
Property & Equipment	39	-	52	2	566	179	36	1	-	875
Investment properties	2,652	-	3,765	134	247	72	-	-	-	6,870
Depreciation and amortization	132	-	898	412	304	260	44	310	-	2,360

YTD March 2019	**Property Development**	**International Business**	**Shopping Centers**	**Offices**	**Hotels and Resorts**	**Construction**	**Property Management and Others**	**Corporate**	**Intersegment Adjustmemt**	**Consolidated**
(in million pesos)										
Revenues										
Sales to external customers	24,951	1,116	5,097	2,151	1,914	792	1,416	-	-	37,437
Intersegment sales	-	-	-	-	-	-	-	-	-	-
Equity in net earnings of Investees	150	-	3	-	-	-	-	111	-	264
Total Revenues	**25,101**	**1,116**	**5,100**	**2,151**	**1,914**	**792**	**1,416**	**111**	**-**	**37,701**
Operating Expenses	18,819	780	2,189	663	1,431	246	1,339	13	-	25,480
Operating Profit	**6,282**	**336**	**2,911**	**1,488**	**483**	**546**	**77**	**98**	**-**	**12,221**
Interest income	-	-	-	-	-	-	-	-	-	1,890
Interest expense	-	-	-	-	-	-	-	-	-	(2,605)
Other income (expense)	-	-	-	-	-	-	-	-	-	89
Other charges	-	-	-	-	-	-	-	-	-	(382)
Provision for income tax	-	-	-	-	-	-	-	-	-	(2,916)
Net Income	-	-	-	-	-	-	-	-	-	**8,297**
Net Income attributable to:										
Equity holders of Ayala Land, Inc.	-	-	-	-	-	-	-	-	-	7,322
Minority interests	-	-	-	-	-	-	-	-	-	975
										8,297
Other information										
Segment assets	480,405	22,418	171,562	96,269	58,141	52,523	6,508	88,812	(358,807)	617,831
Investment in associates and jointly controlled entities	21,941	-	41	-	-	55	188	1,306	-	23,531
Deferred tax assets	3,056	-	348	111	359	61	44	2,681	6,394	13,054
Total assets	**505,402**	**22,418**	**171,951**	**96,380**	**58,500**	**52,639**	**6,740**	**92,799**	**(352,413)**	**654,416**
Segment liabilities	238,901	10,663	101,502	47,269	43,826	44,379	3,168	58,892	(124,236)	424,364
Deferred tax liabilities	1,734	-	279	59	-	4	8	16	3,903	6,003
Total liabilities	**240,635**	**10,663**	**101,781**	**47,328**	**43,826**	**44,383**	**3,176**	**58,908**	**(120,333)**	**430,368**
Segment additions to										
Property & Equipment	130	-	151	7	1,389	72	12	23	-	1,784
Investment properties	9,163	700	6,691	398	438	78	-	-	-	17,468
Depreciation and amortization	71	20	816	464	224	363	41	25	-	2,024

23. Long-term Commitments and Contingencies

Contingencies

The Group has various contingent liabilities arising in the ordinary conduct of business including a case related to property restriction violation. The estimate of the probable cost for the resolution of this claim has been developed in consultation with outside counsel handling the defense in this matter and is based upon an analysis of potential results. In the opinion of management and its legal counsel the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Group's financial position and results of operations. Accordingly, no provision for any liability has been made in the consolidated financial statements.

Disclosures required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, were not provided as it may prejudice the Group's position in ongoing claims and it can jeopardize the outcome of the claims and contingencies.

24. Events after the Reporting Date

Results of the 2020 Annual Stockholders' Meeting and Organizational Board Meeting

On April 22, 2020**,** during its Annual Stockholders' Meeting, stockholders approved the following matters:

1. Minutes of the 2019 Annual Stockholders' Meeting
2. 2019 Annual Report and the consolidated 2019 Audited Financial Statements
3. Ratification of the acts and resolutions of the Board of Directors and Management during the preceding year
4. Election of Directors
5. Election of SGV & Co. as external auditor

At its Organizational Board Meeting held immediately after the ASM, the Board of Directors approved the following:

1. Election of Chairpersons and Members of the Board Committees
2. Designation of Ms. Rizalina G. Mantaring as Lead Independent Director
3. Appointment of Ms. Mercedita S. Nolledo and Mr. Delfin L. Lazaro as Independent Advisers to the Board
4. Election of Officers

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

Review of 1Q 2020 operations vs 1Q 2019

Ayala Land recorded consolidated revenues of P28.40 billion and net income of P4.32 billion, a 28% and 41% decline, from P39.68 billion and P7.32 billion, respectively, reflecting the impact of the COVID-19 Enhanced Community Quarantine (ECQ).

Real Estate revenues, composed of Property Development, Commercial Leasing, and Services revenues, registered at P26.20 billion, a 30% decline from P37.44 billion due to lower bookings, the impact of the Taal volcano eruption, halted construction activities, limited mall operations and the closure of resorts during the ECQ.

Capital expenditures amounted to P21.59 billion, the full year estimate is reduced to P69.82 billion from originally P110.00 billion.

Business Segments

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

Property Development. This includes the sale of residential lots and units, office spaces, and commercial and industrial lots, and operations of MCT Bhd, Ayala Land's consolidated subsidiary based in Malaysia. Revenues from Property Development contracted by 40% to P15.56 billion from P26.07 billion, mainly due to lower project bookings and the impact of the Taal volcano eruption, aggravated by lower incremental completion as construction activity halted.

Residential. Revenues from the sale of residential lots and units and MCT BHd's operations declined 42% to P12.12 billion from P20.88 billion.

AyalaLand Premier (ALP) posted revenues of P2.06 billion, 63% lower than P5.58 billion, due to lower bookings of The Suites Residences, Alcoves, Cerilo, and Courtyards Ph3 and lower incremental POC of West Gallery Place, East Gallery Place, and Garden Towers 2.

ALVEO recorded revenues of P2.74 billion, a decline of 45% from P4.98 billion owing to the completion of High Park Tower 1, lower incremental POC of High Park Tower 2 and Park Triangle Residences, and combined lower bookings and incremental POC of Orean Place Tower 1.

Avida meanwhile registered revenues of P4.71 billon, a 33% decrease from P7.00 billion, attributed to the combination of lower bookings and incremental POC of Avida Northdale Settings Alviera, The Montane, and Avida Towers Turf, and lower bookings of Avida Towers Intima T1 and Avida Towers One Union Place T3.

Amaia reached P1.51 billion in revenues, a 24% reduction from P2.00 billion relating to the lower bookings of Skies Cubao T2, Skies Shaw T1, and lower incremental POC of Steps Nuvali Parkway. **BellaVita** meanwhile recognized revenues of P165 million, 22% less than P211 million because of the lower bookings from projects in Cagayan de Oro and Iloilo.

The average gross profit (GP) margin of horizontal residential projects improved to 45% from 42%, lifted by higher selling prices from ALVEO's The Greenways, Ardia, and The Residences at Evo City Phase 2, and Avida's Southfield Settings Nuvali. Meanwhile, the average GP margin for vertical projects improved to 41% from 37% due to higher selling prices of Avida's Sola Tower 2, Turf Tower 2, and Asten Tower 3, and higher margins from ALVEO's High Park Tower 2 and Solinea Tower 4.

MCT Bhd recorded a contribution of P938.71 million, 16% lower than P1,116.31 million, due to lack of inventory from its Lakefront and Market Homes projects, and experienced booking cancellations during the period.

Office for Sale. Revenues from the sale of office units dropped by 68% to P921.68 million from P2.85 billion, attributed to the completion of Alveo Financial Tower and Stiles West, and the lower incremental completion of Park Triangle Corporate Plaza. The average GP margin improved slightly to 39% from 38% given the higher selling price of ALP's One Vertis Plaza.

Commercial and Industrial Lots. Revenues from the sale of commercial and industrial went up 8% to P2.52 billion from P2.34 billion as these are mainly from existing developments such as Arca South, Seagrove, and Laguna Technopark. The average GP margin substantially increased to 67% from 48%, due to higher selling prices of commercial lots sold in Arca South and Alviera.

Sales Reservations. It registered at P24.72 billion, 27% lower, recognizing the impact of the Taal Volcano eruption and the ECQ. Local and overseas Filipinos accounted for 85% of total sales with the balance of 15% accounted for by other nationalities. Sales from local Filipinos which comprise 69% amounted to P17.0 billion, 30% lower than the same period last year while sales from overseas Filipinos which represented 16%, amounted to P4.0 billion, a decline of only 3% year-on-year. Meanwhile, sales to other nationalities amounted to P3.7 billion, a 36% drop, primarily as mainland Chinese buyers, which comprise 41% at P1.5 billion, decreased by 49%.

Project Launches. In the first quarter of 2020, Ayala Land was able to launch four (4) projects with a total value of P4.98 billion. These are Avida Greendale Settings at Alviera in Pampanga, Amaia Steps The Junction Place Aria in Quezon City, Amaia Scapes Cabuyao Series 3 area 2, and Bellavita Alaminos 2, both in Laguna. For the rest of year, the company will not launch any new projects and will utilize the projects launched in 2019 as inventory for sale once the situation normalizes.

Commercial Leasing. This includes the operation of Shopping Centers, Office Buildings and Hotels and Resorts. Total revenues from commercial leasing declined 5% to 8.71 billion from P9.16 billion.

Shopping Centers. Revenues from shopping centers dropped 9% to P4.65 billion from P5.10 billion on the account of a limited operations. EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) margin ended 7 percentage points lower to 59% from 66% due to lower mall revenues and occupancy of newly opened malls. The average occupancy rate for all malls is 88% and 93% for stable malls. Total Malls GLA stands at 2.12 million square meters.

Offices. Revenues from office leasing increased 15% to P2.47 billion from P2.15 billion given the sustained operations of BPO and HQ buildings. Office leasing EBITDA margin registered at 89%, a slight dip from 90%. The average occupancy rate for all offices is 94% and 96% for stable offices. Total office leasing GLA is at 1.17 million square meters.

Hotels and Resorts. Revenues from hotels and resorts ended 17% lower to P1.59 billion from P1.91 billion with the closure of resorts and lower average occupancy of hotels due to travel bans. As a result, the overall EBITDA margin of hotels and resorts declined 11 percentage points to 23% from 34%. The average occupancy for all hotels was 53% and 60% for stable hotels. Meanwhile, the average occupancy for all resorts stood at 54% and 53% for stable resorts. Occupancy has declined at the onset of the 2020 given the imposition of travels bans due to COVID-19. Hotels and resorts have a total of 3,979 room, with the addition of 274 new rooms; 143 from Seda Central Bloc, 78 from Seda Residences Ayala North Exchange and 53 from the expansion of Seda BGC.

The hotels and resorts business manages 660 hotel rooms in its international brand segment—312 from Fairmont Hotel and Raffles Residences and 348 from Holiday Inn & Suites, both of which are in the Ayala Center, Makati CBD.

There are now have 11 Seda Hotels, operating 2,641 rooms—Atria, Iloilo (152 rooms); BGC, Taguig (521); Centrio, Cagayan de Oro (150); Abreeza, Davao (186); Nuvali, Santa Rosa, Laguna (150); Vertis North, Quezon City (438); Capitol Central, Bacolod (154); Lio, Palawan (153); Ayala Center Cebu (301); Seda Residences Ayala North Exchange (293) and Seda Central Bloc (143); and Circuit Corporate Residences (255).

El Nido Resorts operates 193 rooms from its four island resorts—Pangulasian, Lagen, Miniloc, and Apulit. The Lio Tourism Estate currently has 152 rooms under its Bed and Breakfast (B&B) and Dormitel offerings, while the Sicogon Tourism Estate in Iloilo currently has 78 B&B rooms.

Services. This is composed mainly of the Company's construction business through Makati Development Corporation (MDC), property management, through Ayala Property Management Corporation (APMC), and other companies engaged in power services such as Direct Power Services, Inc. (DPSI), Ecozone Power Management, Inc. (EPMI), and Philippine Integrated Energy Solutions, Inc. (PhilEnergy) and airline for the hotels and resorts business, AirSWIFT. Total revenues amounted to P1.93 billion, 13% lower than P2.21 billion as construction activity halted since the start of the ECQ, coupled with the decreased passengers and flight cancellations of AirSWIFT due to the travel ban and the COVID-19 pandemic.

Construction. Net construction revenues totaled P644.57 million, 19% lower than P792.20 million.

Property Management and Others. APMC, power services companies and AirSWIFT registered revenues of P1.28 billion, 9% less than P1.42 billion.

Blended EBITDA margins of the Services segment slightly declined to 8% from 9%.

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

Equity in net earnings of associates and JVs totaled P271.68 million, 3% higher than P263.18 million as FBDC companies posted a 3% growth in revenues to P144.28 million from P135.59 million, due to higher leasing revenues from One Bonifacio High Street and ALVEO High Street South Corporate Plaza Retail.

Meanwhile, interest and investment income amounted to P1.82 billion, 4% lower than P1.89 billion, owing to lower balances and lower yields from short term investments.

Other income (composed mainly of marketing and management fees from joint ventures, among others) amounted to P108.22 million, 22% more than P88.61 million, driven mainly by higher management fees from FBDC companies which amounted to P46.96 million.

Expenses

Total expenses stood at P21.52 billion, 24% lower than P28.47 billion, on the account of real estate expenses which decreased by 32% to P16.03 billion from P23.49 billion as a result of limited operations.

General and administrative expenses totaled P2.10 billion, a 5% increase from P1.99 billion in overhead costs. This resulted to a GAE ratio of 7.4% and an EBIT margin of 31.8%.

Interest expense, financing and other charges totaled P3.39 billion, a 14% increase from P2.99 billion due to higher interest expense attributed to a higher loan balance. The average cost of debt registered at 5.0%, lower than 5.2% at the end of 2019. Of the total debt, 82% is locked-in with fixed rates, while 85% is contracted on a long-term basis.

Capital Expenditures

Capital expenditures reached P21.59 billion in the first quarter of 2020, mainly for residential developments, followed by commercial leasing assets. 45% was spent on residential projects, 23% on commercial projects, 14% for land acquisition, 14% for the development of estates and 4% for other purposes. The full year capex estimate was reduced to P69.82 billion from our original estimate of P110 billion.

Financial Condition

The Company's balance sheet is solidly positioned to ensure financial sustainability during the crisis.

Cash and cash equivalents, including short-term investments and UITF investments classified as FVPL, stood at P23.22 billion resulting in a current ratio of 1.37:1.

Total borrowings registered at P230.70 billion which translated to a debt-to-equity ratio of 0.95:1 and a net debt-to-equity ratio of 0.85:1.

Return on equity was at 8.21% as of March 31, 2020.

	End-March 2020	*End-December 2019*
Current ratio [1]	1.37:1	1.30:1
Debt-to-equity ratio [2]	0.95:1	0.87:1
Net debt-to-equity ratio [3]	0.85:1	0.78:1
Profitability Ratios:		
Return on assets [4]	2.82%	5.43%
Return on equity [5]	8.21%	16.66%
Asset to Equity ratio [6]	2.95:1	2.94:1
Interest Rate Coverage Ratio [7]	3.82	6.27

1 Current assets / current liabilities
2 Total debt/ consolidated stockholders' equity
3 Net debt/ consolidated stockholders' equity (Net debt is total debt less cash and cash equivalents, short term investments and financial assets through fvpl)
4 Annualized Net income / average total assets
5 Annualized Net income attributable to equity holders of ALI / average total stockholders' equity attributable to equity holders of ALI
6 Total Assets /Total stockholders' equity
7 EBITDA/Interest expense

There are no events that will trigger direct or contingent financial obligations that are material to the company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created in 1Q 2020.

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

Income Statement items **– March 2020 versus March 2019**

Real estate and hotel revenues lower by 30% as a result of lower sales bookings and lower construction completion from residential projects.

Other Income grew by 22% owing to higher management fee from FBDC.

Interest and other financing charges and other charges increased by 13% attributable to recognition of interest expense from Lease Liabilities and increase in interest expense from bank loans.

Provision for income tax decreased by 37% due to lower taxable income coming from real estate.

Balance Sheet items – March 2020 versus December 2019

Cash and cash equivalents increased by 6% owing to excess loan availments partially offset by payments for treasury shares and cash dividends, and lower customer collections.

Short-term investments up by 65% as a result of additional money market placements of RLC, partially offset by matured MMPs from MCT Bhd.

Other current assets higher by 8% mainly due to reclassification of advances to contractors & suppliers from noncurrent to current.

Other noncurrent assets decreased by 15% mainly due to recoupment of advances to suppliers and contractors from their progress billings.

Short-term debt grew by 92% as a result of additional loan availments for the three months period partially offset by loan repayments.

Account and other payables decreased by 7% mainly from payments to suppliers and contractors for the period.

Income tax payable increased by 25% due lower taxable income primarily from real estate.

Deposit and other current liabilities lower by 54% due to booking of reservation sales and income recognition from project completion.

Pension Liabilities up by 16% derived from remeasurement changes in net defined benefit liability.

Deposit and other noncurrent liabilities higher by 18% due increase of deferred credits from new sales bookings and security deposits from new tenants.

PART II - OTHER INFORMATION

Item 3. Developments as of March 31, 2020

A. New project or investments in another line of business or corporation

None

B. Composition of Board of Directors (as of March 31, 2020)

Fernando Zobel de Ayala	Chairman
Jaime Augusto Zobel de Ayala	Vice Chairman
Bernard Vincent O. Dy	President & CEO
Antonino T. Aquino	Non-Executive Director
Delfin L. Lazaro*	Non-Executive Director
Arturo G. Corpuz	Non-Executive Director
Jaime C. Laya*	Lead Independent Director
Rizalina G. Mantaring	Independent Director
Cesar V. Purisima	Independent Director
Rex Ma. A. Mendoza**	Incoming Independent Director
Sherisa P. Nuesa**	Incoming Independent Director

**Director until April 22, 2020*
**Elected on April 22, 2020*

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

<u>P0.268 cash dividend per outstanding common share</u>
Declaration date: February 20, 2020
Record date: March 6, 2020
Payment date: March 20, 2020

E. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements

Please refer to the discussion in the changes in group structure in 2020.

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 March 31, 2020, stock options outstanding* are as follows:

ESOP	None
ESOWN	107,901,879 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 1Q 2020 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 Item 2: Management's Discussion on Results of Operations and Analysis.
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 (note 10).
M. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period	Results of the 2020 Annual Stockholders' Meeting and Organizational Board Meeting On April 22, 2020**,** during its Annual Stockholders' Meeting, stockholders approved the following matters: 1. Minutes of the 2019 Annual Stockholders' Meeting 2. 2019 Annual Report and the consolidated 2019 Audited Financial Statements 3. Ratification of the acts and resolutions of the Board of Directors and Management during the preceding year 4. Election of Directors 5. Election of SGV & Co. as external auditor At its Organizational Board Meeting held immediately after the ASM, the Board of Directors approved the following: 1. Election of Chairpersons and Members of the Board Committees 2. Designation of Ms. Rizalina G. Mantaring as Lead Independent Director 3. Appointment of Ms. Mercedita S. Nolledo and Mr. Delfin L. Lazaro as Independent Advisers to the Board 4. Election of Officers

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

Clarification of UP Technohub Article

On January 21, 2020, Ayala Land, Inc. (ALI) clarified news about the U.P.-Ayala Land Technohub development lease arrangement with the University of the Philippines (UP). UP will receive a total value of P171 per square meter, per month. This was derived from P4.23 billion in lease payments and a P6 billion investment for 16 commercial buildings, for a total amount of P10.23 billion, over the life of the 25-year contract. After 2033, UP as owner, will receive 100% of the buildings' rent. UP also continues to own the land which has appreciated in value since the start of the partnership.

AREIT, Inc. listing application

On February 7, 2020, Ayala Land, Inc.'s (ALI) Subsidiary, AREIT, Inc., filed its application for a REIT offering to the Securities and Exchange Commission (SEC), following the release of the Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9856, or the Real Estate Investment Trust Act of 2009 last January 20, 2020.

Results of the February 20, 2020 Board Meeting

On February 21, 2020, The Board of Directors of Ayala Land, Inc. (ALI), at its regular meeting approved the following items:

1. The declaration of cash dividends of P0.268 per outstanding common share. This reflects a 3% increase from the cash dividends declared in the first half of 2019 amounting to P0.26 per share. The cash dividends will be payable on 20 March 2020, to stockholders of common shares as of record date 6 March 2020.

2. The raising of up to P10 billion through the issuance of retail bonds to partially finance general corporate requirements and to refinance maturing loans. This is under the Company's current shelf registration program and will be listed on the Philippine Dealing and Exchange Corporation.

3. The increase of an additional P25 billion to the Company’s current share buyback program bringing the available balance to P26.1 billion. The program will be implemented through open market purchases executed via the trading facilities of the Philippine Stock Exchange.

COVID-19 Measures

On March 16, 2020, in compliance with the notice of the Securities and Exchange Commission dated March 12, 2020, Ayala Land, Inc. (ALI) disclosed to the public the measures it has undertaken to manage the risk of COVD-19.

It shared that it has an existing crisis management plan and primary operating measures established in the areas of: (1) Employee Health and Safety, (2) Public Health and Safety, and (3) Business Continuity.

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 the year 2020, Ayala Land revised its initial consolidated budget for project and capital expenditures from P110 billion to P69.8 billion, taking into consideration the current operating environment. Of the total amount, P21.6 billion has been disbursed as of March 31, 2020. The Company will use the capital expenditure for the construction completion of launched residential projects and investment properties as well as land acquisition.
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 remain parallel to the country’s overall economic standing. Interest rate fluctuations may likewise affect 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 2: Management’s Discussion on Results of Operations and Analysis).
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 of every year from shopping centers due to holiday spending. The Company's development operations are dependent on Market conditions and the timing of project launches 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-March 2020	End-December 2019
Current ratio [1]	1.37:1	1.30:1
Debt-to-equity ratio [2]	0.95:1	0.87:1
Net debt-to-equity ratio [3]	0.85:1	0.78:1
Profitability Ratios:		
Return on assets [4]	2.82%	5.43%
Return on equity [5]	8.21%	16.66%
Asset to Equity ratio [6]	2.95:1	2.94:1
Interest Rate Coverage Ratio [7]	3.82	6.27

1 Current assets / current liabilities
2 Total debt/ consolidated stockholders' equity
3 Net debt/ consolidated stockholders' equity (Net debt is total debt less cash and cash equivalents, short term investments and financial assets through fvpl)
4 Annualized Net income / average total assets
5 Annualized Net income attributable to equity holders of ALI / average total stockholders' equity attributable to equity holders of ALI
6 Total Assets /Total stockholders' equity
7 EBITDA/Interest expense

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:

AUGUSTO D. BENGZON
Senior Vice-President
CFO, Treasurer and Chief Compliance Officer

Date: May 11, 2020