



06 November 2020

Philippine Stock Exchange, Inc.

6th Floor, PSE Tower, 28th Street corner 5th Avenue,
Bonifacio Global City, Taguig City

To **Janet A. Encarnacion**
Head, Disclosure Department

Philippine Dealing and Exchange Corporation

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City

To **Atty. Marie Rose M. Magallen-Lirio**
Head, Issuer Compliance and Disclosures Department

Securities and Exchange Commission

PICC Complex, Roxas Boulevard, Pasay City

To **Hon. Vicente Graciano P. Felizmenio, Jr.**
Director, Market Regulation Department

Dear Mesdames and Gentlemen,

Please see attached press release on Ayala Land's 9M 2020 results.

Thank you.

A handwritten signature in blue ink, appearing to read 'AB' followed by a stylized flourish.

AUGUSTO D. BENGZON

Senior Vice-President
CFO, Treasurer and Chief Compliance Officer



Press Release

ALI optimistic despite COVID-19 impact on 9-month performance

November 6, 2020 – Ayala Land Inc. (ALI) posted consolidated revenues of P63.3 billion and a net income of P6.4 billion, a 48% and 73% decline respectively from the same period in 2019, as the COVID-19 pandemic continues to impact business operations. The company saw improvement between the second and third quarters of the year however as it registered a 73% jump in revenues to P22.1 billion. Net income in the third quarter also reached P1.8 billion, a substantial advancement of almost nine-fold compared to the second quarter as government restrictions started to ease.

“COVID-19 continues to significantly affect our operations and the performance of our company. We’ve seen, however, improvement in majority of our business lines in the third quarter as pandemic-related restrictions gradually eased. We anticipate favorable developments moving forward as the reopening of the economy gains traction and have started to introduce new product inventory in our estates,” said ALI President and CEO Bernard Vincent O. Dy.

Revenues from property development amounted to P40.6 billion, a 52% drop due to lower project bookings and limited construction activity. With the resumption of construction activities, property development revenues more than doubled to P15.7 billion in the third quarter from P7.6 billion in the second quarter. Residential sales reservations in the first nine months of 2020 amounted to P60.8 billion, 56% of last year’s levels despite the limited selling activity during the quarantine periods. Notwithstanding the challenging environment, reservations in the third quarter reached P22.5 billion, a 66% improvement from the previous quarter as demand for residential products picked up.

Commercial leasing revenues also decreased by 37% to P17.3 billion given restricted mall and hotel operations and the temporary closure of resorts during the period. In the third quarter however, mall revenues started to rebound, increasing 29% from the second quarter to P1.5 billion as restrictions eased resulting in a higher foot traffic of 30-35% of pre-COVID levels.

ALI’s capital expenditures amounted to P45.3 billion for the first nine months of the year. This represents 65% of the revised full-year budget of P69.8 billion, and was allocated mainly for residential developments and commercial leasing assets.

The company likewise moved closer to a return to normalcy by launching three sequel projects with a total value of P2.2 billion in the third quarter of 2020. These were Ayala Land Premier’s Andacillo Phase 3A, Amaia Scapes Bulacan Series 4A and additional inventory in Bellavita Alaminos 2. These launches saw a significant take-up in spite of the limitations of the quarantine period. In addition, its financial sustainability initiatives also strengthened the company’s balance sheet with the net gearing ratio improving to 0.75:1 from 0.87:1 in the first half of 2020.



In August of this year, Ayala Land's AREIT Inc. became the country's first Real Estate Investment Trust listing at the Philippine Stock Exchange. The landmark listing saw AREIT successfully complete its initial public offering following the close of the offer period on August 3. Philippine Rating Services Corporation (PhilRatings) assigned an Issuer Credit Rating of PRS Aaa, with a Stable Outlook, to AREIT which aims to promote and strengthen the country's capital markets.

AREIT continues to diversify its leasing portfolio with its P5.1-billion planned acquisition of The 30th commercial development in Pasig. The acquisition of the property along Meralco Avenue will allow AREIT to increase its total portfolio of assets from 170,000 to 246,000 square meters of gross leasable area. AREIT's maiden acquisition in September was the purchase of Teleperformance Cebu, a 12-story building located at the Cebu I.T. Park, Cebu City. It has a total gross leasable area of 18,092 square meters that is 100% occupied.

For more information, please contact:

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ABOUT AYALA LAND, INC.

Ayala Land is the Philippines' leading developer of sustainable estates, offering a diverse mix of properties such as residential, retail, office, hotels, and leisure developments, that support local economic growth and nation-building. The company was established in 1988 as the real estate arm of Ayala Corporation, a pioneer conglomerate and builder of the country's premier financial and commercial district, now known as Makati Central Business District and Ayala Center. Today, Ayala Land has a total of 29 sustainable estates and is present in 57 growth areas nationwide. It has five residential brands, namely Ayala Land Premier, Alveo, Avida, Amaia, and BellaVita, which deliver quality homes to a broad segment of the housing market. Its commercial development and leasing portfolio are comprised of Ayala Malls, Ayala Land Offices, and Ayala Land Hotels and Resorts Corporation.