



January 20, 2022

Securities and Exchange Commission
SEC Building, Mandaluyong City

Attention: **Director Vicente Graciano P. Felizmenio, Jr.**
Director, Markets and Securities Regulation Department

The Philippine Stock Exchange, Inc.
6/F Philippine Stock Exchange Tower
5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Philippine Dealing and Exchange Corporation
29/F BDO Equitable Tower
8751 Paseo de Roxas, Makati City

Attention: **Atty. Marie Rose M. Magallen-Lirio**
Head, Issuer Compliance and Disclosure Department

Mesdames/Gentlemen:

Pleased be informed that Ayala Corporation's ("AC") Board of Directors, at its regular meeting held today, approved the property-for-share swap transaction with Ayala Land, Inc. ("ALI") and Mermac, Inc. ("Mermac") whereby the AC and Mermac will transfer certain assets in exchange for common shares to be issued by ALI to each of them, subject to compliance with regulatory requirements.

The AC assets have an aggregate value of Php17,275,552,273.80 and will be transferred to ALI in exchange for 309,597,711 common shares to be issued by ALI at the subscription price of Php55.80 per share. The valuations used are supported by a fairness opinion issued by FTI Consulting Philippines, Inc.

Please refer to the attached disclosure submitted to the Philippine Stock Exchange.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'A. de Larrazabal'.

Alberto M. de Larrazabal
Chief Finance Officer

Press Release

January 20, 2022

Ayala Corp and Ayala Land enter into a property-for-share swap

20 January 2022 – The Boards of Ayala Corporation ("AC") and Ayala Land, Inc. ("ALI") approved the property for share swap with each other and Mermac, Inc. ("Mermac"). Under the transaction, AC and Mermac will transfer assets to ALI in exchange for its primary common shares as specified below.

Asset	Location	Size	Transaction Value (P'm)	Rationale
1. AC's 50% ownership in Ayala Hotels, Inc. (AHI) (Owner of the Manila Peninsula property and ALI partner in Ayalaland Premier's Park Central Towers Project)	Makati, Metro Manila	19,858 sqm (Manila Pen property) 209,808 sqm GFA (Park Central Towers)	P13,199	Prime development opportunity in Makati CBD
2. AC's 100% ownership in Darong Agricultural and Development Corp (DADC), and AC's three lots in the same area	Darong, Sta. Cruz, Davao del Sur	6,334,814 sqm	P1,723	Expand strategic land bank in Davao
3. AC and Mermac's office units and parking slots at Tower One 32nd to 35 th floors (One floor is 62.65% owned by AC, 37.35% Mermac)	Makati, Metro Manila	5,162 sqm	P1,394	Increase ALI's prime office portfolio and market share in Makati CBD
4. AC's Honda Pasig Property	Brgy. Bagumbayan, QC. (along C5 Road)	6,019 sqm	P993	Residential development opportunity for Avida in the QC-Pasig Corridor near Parklinks
5. AC's Calauan Property	Bo. Dayap, Calauan, Laguna	117,389 sqm	P78	Expand socialized housing presence for BellaVita in Southern Luzon

Subject to regulatory approvals, AC will subscribe to 309, 597, 711 primary common shares for assets valued at PHP17,275,552,273.80, and Mermac will subscribe to 1,982,289 primary common shares for assets worth PHP110,611,726.20, totaling 311,580,000 primary common shares at a value of P55.80 per share, as validated by a third-party fairness opinion.



The primary common shares to be issued by ALI to AC and Mermac will come from the unissued 515,151,500 shares in the 1-Billion Common Shares Carve Out approved by ALI shareholders in 2014. The said shares are not subject to pre-emptive rights and do not require stockholders' approval under the Seventh Article of the Articles of Incorporation of Ayala Land, Inc.

AC and ALI engaged FTI Consulting Philippines, Inc. (FTI), an independent firm accredited by both the Philippine Stock Exchange ("PSE") and the Securities and Exchange Commission ("SEC"), to issue a fairness opinion following applicable PSE and SEC requirements, supported by a valuation report on the AC assets and ALI shares. FTI has concluded that the transaction is fair from a financial point of view.

"We are delighted about this transaction. We view ALI as the natural owner of these properties and is in the best position to optimize their value. In addition, this deal is consistent with Ayala's initiative to increase its ownership of ALI, similar to the block purchases of ALI shares we have done over the past year," Fernando Zobel de Ayala, AC President and CEO and ALI Chairman said.

"We are pleased with our agreement with Ayala Corporation to purchase properties in exchange for ALI shares. These properties are in key locations and will further expand our landbank and commercial assets. We are confident that the inclusion of these assets will further create value for our stakeholders.", said ALI President and CEO Bernard Vincent O. Dy.

AC, ALI, and Mermac are targeting to complete the requirements within the year. AC has a 46.07% share in ALI. Once approved by regulatory bodies, AC's ownership in ALI will increase to 47.20%. The execution of the Deed of Exchange and details regarding regulatory approvals will be disclosed subsequently.

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
Jan 20, 2022
2. SEC Identification Number
34218
3. BIR Tax Identification No.
000-153-610-000
4. Exact name of issuer as specified in its charter
AYALA CORPORATION
5. Province, country or other jurisdiction of incorporation
PHILIPPINES
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
32F to 35F, Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City
Postal Code
1226
8. Issuer's telephone number, including area code
(02) 7908-3000
9. Former name or former address, if changed since last report
NA
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	619,703,615
Preferred B Series 1 Shares	20,000,000
Preferred B Series 2 Shares	30,000,000
Voting Preferred Shares	200,000,000

11. Indicate the item numbers reported herein
Item 9

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Ayala Corporation AC

PSE Disclosure Form 4-30 - Material Information/Transactions References: SRC Rule 17 (SEC Form 17-C) and Sections 4.1 and 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Results of the Board of Directors' Meeting

Background/Description of the Disclosure

Please be informed that our Board of Directors, at its regular meeting held today, approved upon the endorsement of our Finance Committee and Risk Management and Related Party Transactions Committee, but subject to compliance with regulatory requirements, the property-for-share swap transaction with Ayala Land, Inc. ("ALI") and Mermac, Inc. ("Mermac") whereby the Company and Mermac will transfer certain assets in exchange for common shares to be issued by ALI to each of them.

The assets to be transferred by the Company to ALI (the "AC Assets") are: its 50% stake in Ayala Hotels, Inc., a joint venture of the Company with ALI that owns the lot leased to Manila Peninsula Hotel, Inc. and is ALI's partner for Park Central Towers condominium project; its 100% stake in Darong Agricultural and Development Corporation, an operating company with land assets in Davao del Sur, together with AC's three lots in the same area; its office units at the 32nd to 35th Floors of Tower One and Exchange Plaza with appurtenant parking slots; its lot with improvements in Brgy. Bagumbayan, Quezon City along C5 Road; and its land in Calauan, Laguna.

The AC assets have an aggregate value of PhP17,275,552,273.80 and will be transferred to ALI in exchange for 309,597,711 common shares to be issued by ALI at the subscription price of PhP55.80 per share (the "ALI Shares"). The valuations used are supported by a fairness opinion issued by FTI Consulting Philippines, Inc. (FTI).

AC and ALI engaged FTI, an independent firm accredited by both the Philippine Stock Exchange ("PSE") and the Securities and Exchange Commission ("SEC"), to issue a fairness opinion in accordance with applicable PSE and SEC requirements, supported by a valuation report of both the AC Assets and ALI Shares. After making a determination that the fair range of values for the AC Assets is from PhP16.58 billion to 22.41 billion and the fair range of values for the ALI Shares is PhP49.44 to 76.50 per ALI Share, and noting the number of shares proposed to be issued to AC, FTI concluded that the transaction is fair from a financial point of view.

AC, ALI, and Mermac are targeting to complete the requirements within the year. Once approved by regulatory bodies, AC's ownership in ALI will increase from 46.1% to 47.2% of ALI's total outstanding common shares. This transaction forms part of AC's strategic initiative to increase its ownership stake in ALI. In 2021, AC conducted a share block purchase program of ALI shares.

Details on the execution of the Deed of Exchange and on regulatory approvals will be disclosed subsequently.

Other Relevant Information

Please see attached press release.

Filed on behalf by:

Name	Celeste Jovenir
Designation	Investor Relations Head