



Ayala Corporation

34F Tower One Ayala Triangle
Ayala Avenue Makati City 1226
Philippines

Tel (632) 908 3000

Fax (632) 848 5846

www.ayala.com.ph

February 1, 2016

Securities and Exchange Commission

SEC Building, Mandaluyong City

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

Philippine Stock Exchange, Inc.

3/F Tower One and Exchange Plaza
Ayala Triangle, Ayala Ave., Makati City

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

Philippine Dealing and Exchange Corporation

37/F Tower 1, The Enterprise Center
6766 Ayala Ave cor. Paseo de Roxas, Makati City

Attention: Ms. Vina Vanessa S. Salonga
Head, Issuer Compliance and Disclosure Department

Gentlemen:

Please see attached detailed notice and agenda of our annual stockholders' meeting which is set for April 15, 2016, with explanation on each agenda item for stockholders' approval.

Thank you.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Solomon M. Hermosura'.

SOLOMON M. HERMOSURA

Corporate Secretary and General Counsel

A small, stylized blue mark or signature at the bottom left of the page.



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NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of **AYALA CORPORATION** will be held at the Ballroom 2 of the Fairmont Makati, 1 Raffles Drive, Makati Ave., Makati City, on **Friday, April 15, 2016 at 9:00 o'clock in the morning** with the following

A G E N D A¹

1. Proof of Notice, Determination of Quorum and Rules of Conduct and Procedures
2. Approval of Minutes of Previous Meeting
3. Annual Report
4. Amendment of the Fourth Article of the Articles of Incorporation to Extend the Corporate Term for 50 years from January 23, 2018
5. Election of Directors (including the Independent Directors)
6. Election of External Auditor and Fixing of its Remuneration
7. Consideration of Such Other Business as May Properly Come Before the Meeting
8. Adjournment

Only stockholders of record at the close of business on **February 16, 2016** are entitled to notice of, and to vote at, this meeting.

Makati City, February 1, 2016.

A handwritten signature in blue ink, appearing to read 'Solomon M. Hermosura'.

SOLOMON M. HERMOSURA

Corporate Secretary and General Counsel

¹ See next page for the explanation for each agenda item for stockholders' approval.

EXPLANATION OF AGENDA ITEMS FOR STOCKHOLDERS' APPROVAL

Proof of notice, determination of quorum and rules of conduct and procedures

The Corporate Secretary will certify the date the notice of the meeting was sent to all stockholders and the date of publication of the notice in newspapers of general circulation.

The Corporate Secretary will further certify the existence of a quorum. The stockholders present, in person or by proxy, representing a majority of the outstanding capital stock shall constitute a quorum for the transaction of business.

The following are the rules of conduct and procedures:

- (i) The polls are open for the stockholders to cast their votes either manually or electronically.
- (ii) A stockholder may vote manually using the ballot provided to him upon registration and placing the voted ballot in the ballot boxes located at the registration table and inside the Ballroom.
- (iii) A stockholder may vote electronically using any of the computers at the station for electronic voting outside the Ballroom. The paper ballot and the website platform for electronic voting set forth the proposed resolutions for consideration by the stockholders and each proposed resolution would be shown on the screen in front of the Ballroom as it is taken up at the meeting.
- (iv) Each outstanding share of stock entitles the registered holder to one vote.
- (v) In general, the stockholders act by the affirmative vote of stockholders representing at least a majority of the outstanding and voting capital stock present at the meeting.
- (vi) For the amendment of the Fourth Article of the Articles of Incorporation, the affirmative vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock is required.
- (vii) The election of the directors shall be by plurality of votes. Every stockholder shall be entitled to cumulate his votes.
- (viii) The stockholders may cast their votes anytime during the meeting.
- (ix) All votes received shall be tabulated by the Office of the Corporate Secretary, and the results of the tabulation shall be validated by SyCip Gorres Velayo and Co. (SGV).
- (x) During the meeting, as the stockholders take up an item on the Agenda, the Corporate Secretary will report the votes already received and tabulated on that item.

Approval of minutes of previous meeting

The minutes of the meeting held on April 10, 2015 are posted at the company website, www.ayala.com.ph. Copies of the minutes will also be distributed to the stockholders before the meeting.

A resolution approving the minutes will be presented to the stockholders for approval by the vote of the stockholders representing at least a majority of the outstanding voting stock present at the meeting.

Annual report

The Chairman, Mr. Jaime Augusto Zobel de Ayala, and the President and Chief Operating Officer, Mr. Fernando Zobel de Ayala, will deliver a report to the stockholders on the performance of the company in 2015 and the outlook for 2016. The financial statements as of December 31, 2015 (FS) will be embodied in the Information Statement to be sent to the stockholders at least 15 business days prior to the meeting.

A resolution noting the report and approving the audited financial statements will be presented to the stockholders for approval by the affirmative vote of the stockholders representing at least a majority of the outstanding voting stock present at the meeting.

Amendment of the Fourth Article of the Articles of Incorporation to extend the corporate term for 50 years from January 23, 2018

A resolution approving the amendment will be presented to the stockholders for approval by the affirmative vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock.

Election of directors (including the independent directors)

Any stockholder may submit to the Nomination Committee nominations to the Board not later than March 2, 2016. The Nomination Committee will determine whether the nominees for directors, including the nominees for independent directors, have all the qualifications and none of the disqualifications to serve as members of the Board before submitting the nominees for election by the stockholders. The profiles of the nominees to the Board will be provided in the Information Statement and in the company website for examination by the stockholders.

The directors are elected by plurality of votes using the cumulative voting method. The seven nominees receiving the highest number of votes will be declared elected as directors of the company.

Election of external auditor and fixing of its remuneration

The Audit Committee will endorse to the stockholders the appointment of an external auditor for the current fiscal year. The profile of the external auditor will be provided in the Information Statement and in the company website for examination by the stockholders.

A resolution for the appointment of the external auditor and its remuneration will be presented to the stockholders for adoption by the affirmative vote of stockholders representing a majority of the voting stock present at the meeting.

Consideration of such other business as may properly come before the meeting

The Chairman will open the floor for comments and questions by the stockholders. Stockholders may raise other matters or issues that may be properly taken up at the meeting.