

## **NOTICE OF EXCHANGE PRICE ADJUSTMENT**

AYC FINANCE LIMITED  
U. S. \$300,000,000.00 0.5% Guaranteed Exchangeable Bonds due 2019  
exchangeable for common shares of Ayala Land, Inc.  
Guaranteed by AYALA CORPORATION  
(ISIN: XS1056384420)

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12 January 2015

To: The Bank of New York Mellon, London Branch  
One Canada Square,  
London E14 5AL  
United Kingdom

Fax No.: +44 207 964 6369  
Attention : Global Corporate Trust (Project Armani)

With a copy to:

The Bank New York Mellon  
One Tamesek Avenue  
#07-01 Millenia Tower  
Singapore 039192

Fax No.: +65 6883 0338  
Attention : Global Corporate Trust (Project Armani)

The Bank of New York Mellon (Luxembourg) S.A.  
Vertigo Building - Polaris  
2-4 rue Eugène Ruppert L-2453  
Luxembourg

Fax No.: +352 2452 4204  
Attention: New Issues Department

Bond exchange price adjustment identification reference ADJ2015-1

Notice is hereby given pursuant to Condition 6.6 of the Terms and Conditions of the Bonds on the Change in Exchange Price.

(A) EVENT GIVING RISE TO ADJUSTMENT IN EXCHANGE PRICE

ALI top-up placement

|                       |   |                    |
|-----------------------|---|--------------------|
| Transaction Date      | : | 12-Jan-2015        |
| Number of Shares      | : | 484,848,500        |
| Price                 | : | Php33.00 per share |
| Crossing Date         | : | 12-Jan-2015        |
| Settlement/Issue Date | : | 14-Jan-2015        |

(B) EXCHANGE PRICE PRIOR TO ADJUSTMENT

Php36.25 per share or US\$0.818 per share

(C) ADJUSTED EXCHANGE PRICE

Php36.21 per share or US\$0.817 per share

Computation following the formula in Condition 6.3.6:

Adjusted Exchange Price =  $\text{Php36.25} \times [(A+B)/(A+C)]$

Where:

A - is the number of Shares in issue immediately before issue of additional Shares

B - is the number of Shares which the aggregate consideration for the additional Shares would purchase at Current Market Price@

C - is the aggregate number of Shares issued or, as the case maybe, comprised in the top-up placement

@ Current Market Price – the arithmetic average of Closing Prices for the 20 consecutive trading days ending on the trading day immediately preceding the transaction date (period covered: Dec. 3, 2014 to Jan. 9, 2015)

(D) EFFECTIVITY DATE OF ADJUSTMENT TO EXCHANGE PRICE

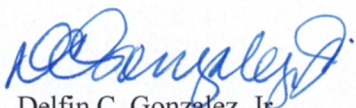
January 14, 2015 (issue date of the new/additional Shares)

Kindly advise the bondholders thru Euroclear and Clearstream of the above information.

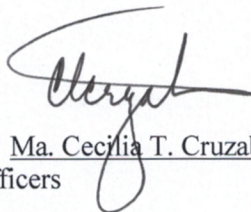
Very truly yours,

**AYALA CORPORATION**

By:



Delfin C. Gonzalez, Jr.



Ma. Cecilia T. Cruzabra

Authorized Officers



## Clause 6.3.6 - Issues at less than Current Market Price

|                                                                                     |                    |
|-------------------------------------------------------------------------------------|--------------------|
| Current Exchange Price                                                              | Php36.25 per share |
| Number of Shares in issue (A)                                                       | 14,190,488,638     |
| Number of Shares aggregate consideration would purchase at Current Market Price (B) | 469,897,225        |
| Number of Shares to be issued (C)                                                   | 484,848,500        |
| Adjustment Factor (A+B) / (A+C)                                                     | 0.9990             |
| Exchange Price Post Adjustment (Ps)                                                 | 36.21              |

Current Market Market Price (6.4.4 p76)  
20-day closing price average

| Date         | Open  | High  | Low   | Close | Average | Volume     | Value          |
|--------------|-------|-------|-------|-------|---------|------------|----------------|
| Jan 09, 2015 | 35.25 | 35.65 | 35.00 | 35.00 | 35.30   | 9,225,200  | 325,176,220.00 |
| Jan 08, 2015 | 34.00 | 35.30 | 34.00 | 35.25 | 34.82   | 22,669,400 | 789,340,315.00 |
| Jan 07, 2015 | 33.50 | 34.10 | 33.50 | 33.75 | 33.88   | 7,744,600  | 262,354,810.00 |
| Jan 06, 2015 | 34.00 | 34.00 | 33.50 | 33.50 | 33.63   | 11,225,100 | 377,015,340.00 |
| Jan 05, 2015 | 34.00 | 34.15 | 33.70 | 34.00 | 34.01   | 20,650,400 | 702,226,380.00 |
| Dec 29, 2014 | 33.95 | 33.95 | 33.50 | 33.70 | 33.69   | 7,809,800  | 263,087,410.00 |
| Dec 23, 2014 | 33.05 | 33.90 | 33.05 | 33.90 | 33.60   | 11,637,100 | 390,954,950.00 |
| Dec 22, 2014 | 33.00 | 33.50 | 33.00 | 33.05 | 33.19   | 8,506,100  | 282,355,610.00 |
| Dec 19, 2014 | 33.45 | 33.80 | 33.25 | 33.40 | 33.58   | 21,624,600 | 726,063,215.00 |
| Dec 18, 2014 | 33.15 | 33.70 | 32.80 | 32.95 | 32.98   | 20,568,300 | 678,300,520.00 |
| Dec 17, 2014 | 34.15 | 34.15 | 32.75 | 33.00 | 33.08   | 16,825,300 | 556,071,505.00 |
| Dec 16, 2014 | 34.80 | 34.95 | 33.85 | 33.90 | 34.32   | 11,231,800 | 384,682,835.00 |
| Dec 15, 2014 | 33.75 | 35.00 | 33.55 | 34.80 | 34.75   | 9,532,700  | 331,214,515.00 |
| Dec 12, 2014 | 33.80 | 34.50 | 33.80 | 34.50 | 34.15   | 8,240,000  | 281,410,065.00 |
| Dec 11, 2014 | 33.80 | 34.70 | 32.70 | 33.50 | 33.74   | 10,490,800 | 353,475,745.00 |
| Dec 10, 2014 | 34.05 | 34.25 | 33.90 | 34.00 | 34.00   | 11,942,600 | 406,068,895.00 |
| Dec 09, 2014 | 35.00 | 35.00 | 33.90 | 34.15 | 34.21   | 8,868,700  | 303,387,210.00 |
| Dec 05, 2014 | 34.80 | 34.80 | 34.45 | 34.75 | 34.61   | 4,715,000  | 163,391,295.00 |
| Dec 04, 2014 | 35.20 | 35.50 | 34.95 | 35.00 | 35.30   | 6,765,400  | 238,391,525.00 |
| Dec 03, 2014 | 34.95 | 35.00 | 34.70 | 34.95 | 34.94   | 6,306,200  | 220,346,775.00 |

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35.00  
34.95  
681.05  
**34.05**

#### ALI OUTSTANDING SHARES

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding |
|---------------------|-----------------------------------------------------------------------------|
| COMMON SHARES       | 14,190,488,638                                                              |
| VOTING PREFERRED    | 13,066,494,759                                                              |