



March 1, 2019

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

37/F Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas, Makati City 1226

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

Mesdames/Gentlemen:

Please be informed that AC Energy Holdings Inc., a wholly owned subsidiary of Ayala Corporation, has received the approval from the Philippine Competition Commission on the sale of its 49% voting stake and 60% economic stake in AA Thermal Inc.

Please see attached PSE Disclosure Form 4-2.

Very truly yours,

A handwritten signature in black ink, appearing to read 'j. limcaoco'.

JOSE TEODORO K. LIMCAOCO
Chief Finance Officer

**In the Matter of the Proposed
Acquisition by Aboitiz Power
Corporation of Shares of Stock in AA
Thermal, Inc.**

MAO Case No. M-2018-039

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COMMISSION DECISION No. 06-M-039/2019

The Commission,

Having regard to the acquisition by Aboitiz Power Corporation (“Aboitiz Power”) of shares of stock in AA Thermal, Inc. (“AA Thermal”),

Pursuant to Sections 16 and 20 of Republic Act No. 10667 and Section 1, Rule 4 of the Rules and Regulations to Implement the Provisions of Republic Act No. 10667,

Upon evaluation of the findings and recommendation of the Mergers and Acquisitions Office, which included, among others, the information obtained from the parties and other sources to date, finds that the proposed acquisition by Aboitiz Power of shares of stock in AA Thermal (the “Proposed Transaction”) will not likely result in substantial lessening of competition in the identified relevant markets for power generation and retail electricity supply in Luzon and Visayas, due to the following:

1. Aboitiz Power will acquire only a minority stake in AA Thermal;
2. There is no change of control in the operating companies, GNPowder Mariveles Coal Plant Ltd. Co. (“GMCP”) and GNPowder Dingin Ltd. Co. (“GNPD”), which would give Aboitiz Power any increased ability or incentive to influence the actions of GMCP and GNPD apart from its existing general partnership interests;
3. There is no increased ability or incentive to engage in foreclosure, post-Transaction; and
4. There exist sufficient post-Transaction competitive constraints from other power generation and retail electricity suppliers.

Accordingly, the Commission hereby resolves that it will take no further action with respect to the proposed acquisition by Aboitiz Power of shares of stock in AA Thermal.

This Decision is rendered based solely on the facts and circumstances of the Proposed Transaction disclosed and documents submitted by Aboitiz Power and AA Thermal.

28 February 2019, Quezon City, Philippines.



ARSENIO M. BALISACAN
Chairman

(On Official Business)

JOHANNES BENJAMIN R. BERNABE
Commissioner



AMABELLE C. ASUNCION
Commissioner



MACARIO R. DE CLARO, JR.
Commissioner

Copies Furnished:

ABOITIZ POWER CORPORATION
NAC Tower, 32nd Street
Bonifacio Global City, Taguig City

AA THERMAL, INC.
4th Floor, 6750 Office Tower
Ayala Avenue, Makati City

MERGERS AND ACQUISITIONS OFFICE
25th Floor, Vertis North Corporate Center 1
North Avenue, Quezon City

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)
Mar 1, 2019
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)9083000
9. Former name or former address, if changed since last report
N/A
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	631,275,330
Preferred B Series 1 Shares	20,000,000
Preferred B Series 2 Shares	27,000,000
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 4-2 - Acquisition/Disposition of Shares of Another Corporation *References: SRC Rule 17 (SEC Form 17-C) and Section 4.4 of the Revised Disclosure Rules*

Subject of the Disclosure

Aboitiz Power Corporaation ("Aboitiz Power") invests in AC Energy's thermal platform company

Background/Description of the Disclosure

Aboitiz Power entered into a share purchase agreement with Arlington Mariveles Netherlands Holding BV, an affiliate of AC Energy, Inc ("AC Energy") and a shareholders' agreement with AC Energy, a wholly-owned subsidiary of Ayala Corporation, for the proposed acquisition of a 49% voting stake and 60% economic stake in AA Thermal, Inc. ("AA Thermal"), AC Energy's thermal platform in the Philippines

Date of Approval by Board of Directors

Jul 13, 2018

Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction

This transaction enables AC Energy to balance its portfolio and provides capital for its growth initiatives, including its renewable energy projects

Details of the acquisition or disposition

Date

Sep 26, 2018

Manner

Aboitiz Power entered into a share purchase agreement with Arlington Mariveles Netherlands Holding BV, an affiliate of AC Energy, and a shareholders' agreement with AC Energy, a wholly-owned subsidiary of Ayala Corporation, for the proposed acquisition of a 49% voting stake and 60% economic stake in AA Thermal, AC Energy's thermal platform in the Philippines.

Description of the company to be acquired or sold

The AA Thermal platform will initially consist of AC Energy's limited partnership interests in GNPowder Mariveles Coal Plant Ltd. Co., the owner and operator of an operating 2x316 MW coal plant in Mariveles, Bataan, and in GNPowder Dinginin Ltd. Co., the developer and owner of a 2x668 MW supercritical coal plant project in Dinginin, Bataan, which is currently under construction.

The terms and conditions of the transaction

Number of shares to be
acquired or disposed

0

Percentage to the total
outstanding shares of
the company subject of
the transaction

49

Price per share

tba

Nature and amount of consideration given or received

USD579.2m (Base Price, subject to adjustments at transaction closing)

Principle followed in determining the amount of consideration

Asset valuation, with consideration to be paid, subject to certain pre-agreed adjustments at transaction closing. The final amount of consideration will be calculated on transaction closing.

Terms of payment

One time lump sum payment at transaction closing

Conditions precedent to closing of the transaction, if any

Last Feb.28, 2019 we received the approval of PCC on the acquisition of shares of stocks of AP in AA Thermal. The remaining conditions precedents are the approval of AA Thermal's application for capital increase with SEC and other deliverables customary for transactions of a similar nature.

Any other salient terms

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Identity of the person(s) from whom the shares were acquired or to whom they were sold

Name	Nature of any material relationship with the Issuer, their directors/ officers, or any of their affiliates
Aboitiz Power	Aboitiz Power is one of the existing partners in GNPowder Mariveles Coal Plant Ltd. Co. and GNPowder Dinginin Ltd. Co.

Effect(s) on the business, financial condition and operations of the Issuer, if any

This transaction enables AC Energy to balance its portfolio and provides capital for its growth initiatives, including its renewable energy projects.

Other Relevant Information

The amendment was due to the PCC's approval of Aboitiz Power's acquisition of shares of stock in AA Thermal. The number of shares to be disposed will be determined after the company has completed all the necessary approvals.

Filed on behalf by:

Name	Celeste Jovenir
Designation	Investor Relations Head