



Ayala Corporation
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November 19, 2014

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:

**Ayala Corporation (“Ayala”) Announces \$275 million
Top-up Placement of Common Shares**

We are pleased to announce our placement of 18,779,100 common shares of stock at a price of Php660 per share through a top up placement. We completed the placement upon its approval today by our Executive Committee.

The top-up placement entails our issuance of equal number of new shares at the same price, with Mermac, Inc. as the seller in the placement tranche and subscriber in the subscription tranche.

The placing price reflects a discount of 5.2% to the 30-day volume weighted average closing price of our shares. The top-up placement raised \$275 million with proceeds going to our Company and increasing our public float from 38.23% to over 40%. We intend to use the proceeds for investments in power and infrastructure projects, among the emerging businesses of Ayala.

The placement was 2.35 times oversubscribed with strong demand coming from long-only funds and a good mix of investors coming from Asia, Europe and the US. Orders from the Philippines was solid as reflected by demand from local institutional investors.

The shares have been offered to investors outside the United States under Regulation S of the U.S. Securities Act of 1933 and to qualified institutional buyers within the United States as defined in, and in

reliance on Rule 144a under the Securities Act, and have been offered in the Philippines in transactions that do not require registration under the Philippine Securities Regulation Code.

“Proceeds raised from this placement will allow Ayala to expand into business lines that will result in robust and sustainable earnings for the Company. At the same time, this equity issuance further strengthens the balance sheet of the company,” said Delfin C. Gonzalez, Jr., Chief Finance Officer of Ayala.

The new shares to be issued under the subscription tranche are part of the Carved-out Shares as defined in Article Seventh of our Articles of Incorporation, the issuance of which is exempt from pre-emptive rights. The Company will, as soon as practicable, apply for the listing in the Philippine Stock Exchange of the shares making up the subscription tranche, which constitutes 3% of our enlarged common stock.

CLSA Limited acted as Sole Global Coordinator. CLSA Limited and Credit Suisse (Singapore) Limited acted as Joint Bookrunners and Placement Agents and BPI Capital Corporation acted as Domestic Bookrunner and Placement Agent.

Thank you.

Very truly yours,



SOLOMON M. HERMOSURA

General Counsel and Corporate Secretary

****This announcement is not an offer for sale of securities in the United States. The securities referred to herein (the “Securities”) have not been registered under the U.S. Securities Act of the 1933, as amended (the “Securities Act”), and may not be sold in the United States absent registration or an exemption from registration under the Securities Act. The issuer of the Securities does not intend to register any part of the offering in the United States or to conduct a public offering of Securities in the United States.***