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(Company's Full Name)

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(Business Address: No. Street City / Town / Province)

ATTY. SOLOMON M. HERMOSURA

Contact Person

7908-3346

Company Telephone Number

1	2
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Month

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Day

Fiscal Year

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FORM TYPE

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Month

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Day

Annual Meeting

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Secondary License Type, if Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. Of Stockholders

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Domestic

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Foreign

Total Amount of Borrowings

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17(a)-1(b)(3) THEREUNDER

1. May 10, 2023
Date of Report (Date of earliest event reported)
2. 34218
SEC Identification Number
3. 000-153-610-000
BIR Tax Identification Number
4. AYALA CORPORATION
Exact Name of registrant as specified in its charter
5. PHILIPPINES
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code
7. 37F to 39F, Ayala Triangle Gardens Tower 2, Paseo de Roxas
cor Makati Avenue, Makati City
Address of principal office
- 1226
Postal code
8. (02)7908-3000
Registrant's telephone number, including area code
9. N/A
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the SRC

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	619,153,181 shares
Preferred B Series 1 Shares	20,000,000 shares
Preferred B Series 2 Shares	30,000,000 shares
Voting Preferred Shares	200,000,000 shares

: Item 9- Other Events

Re: Ayala Corporation 1Q 2023 Earnings Release

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AYALA CORPORATION

Registrant

Date : May 10, 2023

Jose Martin C. Lopez

Head – Investor Relations

* Print name and title of the signing officer under the signature.

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)

May 10, 2023

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

37F to 39F, Ayala Triangle Gardens Tower 2, Paseo de Roxas cor Makati 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	619,153,181	
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 4-31 - Press Release
References: SRC Rule 17 (SEC Form 17-C)
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Ayala's core net income up 61 percent in 1Q23. All-time high quarterly core net profit of P9.4 billion tops pre-pandemic levels.

Background/Description of the Disclosure

Ayala Corporation's ("Ayala") core net income accelerated 61 percent to P9.4 billion in the first quarter of 2023. Growth momentum from the previous quarter was sustained as most key businesses delivered strong earnings.

BPI's net earnings were up 52 percent to P12.1 billion mainly due to average asset base expansion, sustained margin growth, and lower provisions.

Ayala Land's net income grew 42 percent to P4.5 billion as its diversified portfolio generated a 26 percent revenue growth on higher contributions across its business lines.

Globe's core net income was flat at P5.1 billion as higher depreciation expenses offset the rise in data and digital service revenues.

ACEN's net income was up 5x to P2 billion resulting from higher net generation from wind sources, the commissioning of new power plants, and the company's shift to a modest net selling merchant position. AC Energy & Infrastructure, the parent company of ACEN, grew its profit by 2.5x to P2.7 billion due to improved contributions from ACEN and recognition of pre-operating revenues from GN Power Dinginin.

Including one-offs, Ayala's net income was up 31 percent to P10.2 billion.

Other Relevant Information

Please see attached press release

May 10, 2023

Securities and Exchange Commission

17/F SEC Headquarters, 7907 Makati Avenue
Barangay Bel-Air, Makati City

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

Philippine Stock Exchange

6/F PSE Tower
5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City

Attention: **Ms. Alexandra D. Tom Wong**
Officer-In-Charge, 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:

Please be informed that on May 10, 2023, Ayala Corporation disclosed a press release regarding its financial and operating results for the first quarter of 2023.

Please see attached for more information.

Very Truly Yours,



Jose Martin C. Lopez
Head - Investor Relations



AYALA CORPORATION
1Q 2023 EARNINGS RELEASE
May 10, 2023

Ayala's core net income up 61 percent in 1Q23

All-time high quarterly core net profit of ₱9.4 billion tops pre-pandemic levels

1Q23 vs 1Q22 Highlights

- Ayala Corporation's ("Ayala") core net income accelerated 61 percent to ₱9.4 billion in the first quarter of 2023. Growth momentum from the previous quarter was sustained as most key businesses delivered strong earnings.
 - BPI's net earnings were up 52 percent to ₱12.1 billion mainly due to average asset base expansion, sustained margin growth, and lower provisions.
 - Ayala Land's net income grew 42 percent to ₱4.5 billion as its diversified portfolio generated a 26 percent revenue growth on higher contributions across its business lines.
 - Globe's core net income was flat at ₱5.1 billion as higher depreciation expenses offset the rise in data and digital service revenues.
 - ACEN's net income was up 5x to ₱2 billion resulting from higher net generation from wind sources, the commissioning of new power plants, and the company's shift to a modest net selling merchant position.
 - AC Energy & Infrastructure, the parent company of ACEN, grew its profit by 2.5x to ₱2.7 billion due to improved contributions from ACEN and recognition of pre-operating revenues from GN Power Dinginin.
- Including one-offs, Ayala's net income was up 31 percent to ₱10.2 billion.

"One of our priorities is to end 2023 with profits above pre-COVID levels. Given our first quarter results, our constructive outlook for the year remains intact.", Ayala President and CEO Cezar P. Consing said.

- Ayala continues to make strides in its emerging businesses, AC Health and AC Logistics.
 - AC Health launched its new KonsultaMD superapp in March. The app showcases new capabilities and offers access to a broader and deeper provider network of over 1,000 active healthcare providers covering over 40 specializations. KMD's revenues and ARPU doubled in the first quarter of 2023 versus the same period last year. AC Health is also on track to open this year the country's first dedicated comprehensive cancer hospital.
 - AC Logistics' efforts to integrate its portfolio of assets have begun to bear fruit. It has started the integration process with AIR21's last mile assets. AIR21's Direct Contribution Margin has also improved seven percentage points in the first quarter of 2023 compared to the same period last year. AC Logistics is scheduled to open its first cold storage facility in Cagayan de Oro within the year. The 5,000-pallet facility is through a joint venture with one of the largest pure cold storage players in the country, Glacier Megafridge.

Banking

- BPI's net income surged 52 percent year-on-year to ₱12.1 billion in the first quarter of 2023 on sustained loan and margin growth, increased fee income, and lower loan loss provisions. The bank's solid performance improved return on equity by 434 basis points to 15.4 percent.
- Total revenues increased 25 percent year-on-year to ₱31.7 billion, resulting from improved net interest and non-interest income, which grew 27 percent and 19 percent, respectively.
 - Total loans were up 14 percent to ₱1.7 trillion while net interest margin widened 52 basis points to 3.94 percent.
 - Fee income rose 15 percent to ₱6.3 billion, boosted by increases in customers and volume. Trading income jumped 40 percent to ₱1.3 billion due to securities trading gains as market conditions improved.
- Total deposits increased 14 percent year-on-year to ₱2.1 trillion while maintaining high funding with CASA ratio at 70 percent.
- Asset quality and credit cost continued to improve.
 - NPL ratio improved 55 basis points year-on-year to 1.82 percent.
 - NPL coverage ratio strengthened 27 percentage points year-on-year to 176.71 percent.
 - Total provisions were down 60 percent year-on-year to ₱1 billion.
- Operating expenses increased 20 percent year-on-year to ₱15.1 billion mainly due to broad increases across all categories and lower base effect. BPI's cost-to-income ratio nonetheless improved by two percentage points year-on-year to 47.5 percent due to strong revenue generation and efficiency improvements.

Real Estate

- Ayala Land's net income increased 42 percent year-on-year to ₱4.5 billion in the first three months of 2023. Revenues grew 26 percent to ₱30.9 billion on the back of higher contributions from all its business lines.
- Commercial leasing revenues rose 57 percent year-on-year to ₱10.1 billion driven by improved mall tenant sales lifting occupancy and rents, stable demand for new office spaces in prime locations, and a boost in hotels and resorts due to the resurgence in travel.
 - Shopping center leasing revenues jumped 71 percent year-on-year to ₱5 billion.
 - Office leasing income increased eight percent year-on-year to ₱2.9 billion.
 - Hotel and resorts rental revenues grew 164 percent year-on-year to ₱2.2 billion.
- Property development revenues were up eight percent year-on-year to ₱17.1 billion, mainly driven by higher residential completions, bookings, and the sale of office units.
 - Residential revenues increased 10 percent year-on-year to ₱14.2 billion due to higher completion rates and net bookings.
 - Office for sale revenues surged 43 percent year-on-year to ₱1.1 billion on the back of robust sales in One Vertis Plaza.
 - Commercial and industrial lots declined 19 percent year-on-year to ₱1.8 billion. This is due to sales timing as more commercial lots will be launched in the succeeding quarters.
- Residential sales reservations grew 15 percent year-on-year to ₱27.7 billion on resilient demand despite elevated interest rates. Ayala Land launched three projects worth ₱8.6 billion in the first quarter.
- Capital expenditures reached ₱19.5 billion, 61 percent of which went to the completion of its residential developments.

Telco

- Globe's net income declined 47 percent year-on-year to ₱7.3 billion in the first quarter of 2023 mainly due to a one-time net gain of ₱8.5 billion on the partial sale of Globe's data center business in the same period last year.
 - Globe's core net income, which isolates the impact of non-recurring charges that includes one-off gains from the partial sale of its data center business and tower assets and foreign exchange and mark-to-market charges, was flat at ₱5.1 billion as higher EBITDA from topline growth was offset by depreciation expenses.

- Digital service revenues were up 80 percent year-on-year to ₱1.4 billion, fueled by the strong results of ECPay, Yondu, and Asticom.
 - GCash registered users grew 35 percent year-on-year to 81 million. It has disbursed over ₱74 billion of loans since inception across 2.8 million borrowers. It remains the most dominant e-wallet in the country with 6x more active users than its nearest competitor based on third party provider, data.ai.
- Total service revenues grew two percent year-on-year to ₱40 billion on the back of growing data and digital service revenues.
 - Mobile data revenues increased four percent to a record ₱21.7 billion as mobile data traffic rose 28 percent.
 - Corporate data revenues grew 15 percent to ₱4.5 billion due to strong traction from information and communication technology services which grew 52 percent.
 - Home broadband revenues declined to ₱6.5 billion from ₱7 billion as demand for legacy and fixed wireless products continued to weaken. However, this was partly offset by the 30 percent growth in postpaid fiber revenues. Globe is also delivering home fiber connectivity via a prepaid proposition, which will be launched in 2Q23.
- EBITDA increased four percent year-on-year to ₱20.5 billion as topline expansion outgrew flat OPEX that ended at ₱19.5 billion. EBITDA margin remained stable at 51 percent.
- Capital expenditures decreased 16 percent to ₱17.6 billion as investments wind down from the company's aggressive infrastructure rollout in past years.

Power

- ACEN's net income was up 5x year-on-year to ₱2 billion in the first quarter of 2023 on strong revenue growth driven by higher output and the company's shift to a modest net selling merchant position. These were tempered by higher borrowing costs and overhead stemming from accelerated renewables expansion.
- Consolidated revenues rose 23 percent year-on-year to ₱9.1 billion because of higher net generation from wind sources and the commissioning of new power plants in the Philippines and Australia.
- Attributable EBITDA, which includes ACEN's shares of EBITDA from non-consolidated associates and joint ventures, jumped 76 percent year-on-year to ₱4.6 billion.
 - Philippine EBITDA jumped 188 percent to ₱1.9 billion without the impact of a customer buyout fee and curtailment in Visayas in 1Q22.
 - International EBITDA rose 38 percent to ₱2.8 billion on the back of stronger wind regime in Vietnam, commissioning of the first phase of New England Solar in Australia, and improved geothermal availability in Indonesia.

- Total attributable renewables output increased 20 percent year-on-year to 1,058 GWh.
 - Philippine renewables output was up 31 percent to 310 GWh.
 - International renewables output was higher by 15 percent to 748 GWh.
- ACEN has ~4,200 MW of attributable capacity from owned facilities in the Philippines, Australia, Vietnam, Indonesia, and India, with a renewable share of 98 percent, which is among the highest in the region.

Balance Sheet Highlights

- Consolidated cash ended at ₱75.7 billion.
- Consolidated net debt ended at ₱493.4 billion.
- Consolidated net debt-to-equity ratio stood at 0.80, well within the company's covenant of 3.0x.
- Parent level cash ended at ₱10.1 billion.
- Parent net debt increased to ₱152.9 billion with net debt-to-equity ratio at 1.05 from 1.04 in end-2022.
- Loan-to-value ratio, the ratio of its parent net debt (excluding the fixed-for-life perpetuals which have no maturity) to the total value of its assets, increased to 13 percent due to lower asset values, a result of persisting market volatility.
- Parent average cost of debt increased from 4.5 percent to 4.7 percent in the first quarter of 2023. The percentage of Ayala's fixed-rate debt to total debt remained high at 77 percent.
- On May 5, 2023, Ayala received from the SEC the Certificate of Permit to Offer Securities for Sale for the offer and re-issuance of 4,000,000 Preferred "A" Shares with an aggregate issue value of ₱10.0 billion and an oversubscription option of up to 4,000,000 Preferred "A" Shares with an aggregate issue value of up to ₱10.0 billion. The Preferred Shares will be payable quarterly with an initial dividend rate of 6.3587 percent per annum. The offer period will be on May 8 to 19, 2023 with issuance and listing on the Main Board of the PSE on May 29, 2023.

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2023 (With Comparative Audited Figures as at December 31, 2022)
(Amounts in Thousands)

	March 2023 Unaudited	December 2022 Audited
ASSETS		
Current Assets		
Cash and cash equivalents	P 74,027,846	₱ 73,847,371
Short-term investments	1,699,423	3,201,800
Accounts and notes receivable	171,497,062	161,601,551
Inventories	196,160,165	201,517,144
Other current assets	95,842,770	89,793,317
	539,227,266	529,961,183
Assets under PFRS 5	11,821,057	11,821,057
Total Current Assets	551,048,323	541,782,240
Noncurrent Assets		
Noncurrent accounts and notes receivable	93,937,492	96,029,149
Investments in associates and joint ventures	339,763,783	328,120,295
Investment properties	247,048,505	246,733,570
Property, plant and equipment	119,697,254	114,113,551
Right-of-use assets	23,313,320	22,861,767
Service concession assets	1,488,391	1,420,977
Intangible assets	42,897,975	43,536,382
Deferred tax assets - net	18,451,173	18,370,869
Other noncurrent assets	64,581,011	65,576,336
Total Noncurrent Assets	951,178,904	936,762,896
Total Assets	P 1,502,227,227	₱ 1,478,545,136
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt	P 55,852,583	₱ 36,526,898
Accounts payable and accrued expenses	194,030,497	203,115,284
Income tax payable	1,594,877	1,272,406
Current portion of:		
Long-term debt	24,009,426	31,496,742
Lease liabilities	2,518,212	2,364,727
Service concession obligation	-	60,280
Other current liabilities	31,146,287	34,178,420
Total Current Liabilities	309,151,882	309,014,757
Noncurrent Liabilities		
Long-term debt - net of current portion	489,230,449	484,464,227
Lease liabilities - net of current portion	28,037,460	27,978,713
Service concession obligation - net of current portion	111,795	51,515
Deferred tax liabilities - net	9,237,611	9,193,910
Pension liabilities	3,328,651	3,499,705
Other noncurrent liabilities	48,950,333	49,043,265
Total Noncurrent Liabilities	578,896,299	574,231,335
Total Liabilities	888,048,181	883,246,092
Equity		
Equity attributable to owners of the parent company		
Paid-in capital	86,472,052	86,380,257
Share-based payments	24,953	38,950
Remeasurement losses on defined benefit plans	(3,596,015)	(4,516,242)
Fair value reserve of financial assets at fair value through other comprehensive income (FVOCI)	(1,926,930)	(3,042,026)
Cumulative translation adjustments	1,179,956	4,344,422
Equity reserve	28,195,444	29,091,712
Retained earnings	277,742,783	267,836,258
Treasury stock	(13,070,802)	(13,070,802)
	375,021,441	367,062,529
Non-controlling interests	239,157,605	228,236,515
Total Equity	614,179,046	595,299,044
Total Liabilities and Equity	P 1,502,227,227	₱ 1,478,545,136

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousands, Except Earnings Per Share Figures)

	For the Periods Ended March 31	
	2023	2022
CONTINUING OPERATIONS		
REVENUE		
Rendering of services	₱ 43,634,523	₱ 36,464,369
Sale of goods	22,379,675	18,786,448
Share in net profits of associates and joint ventures	12,004,231	9,058,612
Interest income from real estate	954,361	1,669,704
	78,972,790	65,979,133
COSTS AND EXPENSES		
Costs of rendering services	35,813,843	31,750,022
Costs of goods sold	15,928,522	13,613,482
General and administrative expenses	7,254,974	5,746,778
	58,997,339	51,110,282
OTHER INCOME (CHARGES) - Net		
Interest income	2,153,268	1,709,439
Other income	1,041,963	1,240,903
Interest and other financing charges	(7,179,601)	(6,976,832)
	(3,984,370)	(4,026,490)
INCOME BEFORE INCOME TAX	15,991,081	10,842,361
PROVISION FOR INCOME TAX		
Current	1,494,920	2,379,074
Deferred	305,594	(1,567,125)
	1,800,514	811,949
NET INCOME AFTER INCOME TAX	14,190,567	10,030,412
OPERATIONS OF SEGMENT UNDER PFRS 5		
Net income after tax	-	-
NET INCOME	₱ 14,190,567	₱ 10,030,412
Net Income Attributable to:		
Owners of the Parent Company	₱ 10,218,577	₱ 7,811,575
Non-controlling interests	3,971,990	2,218,837
	₱ 14,190,567	₱ 10,030,412