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PRESS STATEMENT

Light Rail Manila Takes Over LRT 1 Operations

Light Rail Manila Corporation (LRMC) the concessionaire for the operations, maintenance and extension of LRT1, of which AC Infrastructure Holdings Corp., a wholly-owned subsidiary of Ayala Corporation has a 35% stake, took over the operations and maintenance of the LRT Line 1 from the Light Rail Transit Authority and Department of Transportation and Communications on September 12, 2015.

LRMC is the concessionaire for the operations, maintenance and extension of LRT1. It will operate and maintain LRT1 for 32 years. Once LRMC extends LRT1, the system will stretch 32.4 kilometers (from its current 20.7 kilometers) from Muñoz, Quezon City to Bacoor, Cavite (from its current endpoint at Baclaran). LRT1 serves approximately half a million passengers today. The extension will serve future high growth centers in the South like Cavite.

LRMC is taking over a train system that is severely deteriorated. It is the oldest train line in Metro Manila where maintenance has been a challenge over the past years. Out of the 100 Light Rail Vehicles (LRVs) committed to be delivered to LRMC upon take-over, only approximately 77 of the LRVs are in running condition. It will take time to fix the fleet and restore the system to optimal operating levels. The real benefit of an improved train system will not be felt by the riding public immediately but will come in due course particularly when the new trains are delivered by the government as part of its obligations under the Concession Agreement, which trains are scheduled to arrive in 2017, barring any delays. This notwithstanding, LRMC is committed to improve the public's riding experience over time and gradually bring the LRT 1 system to better operating levels. Particularly, LRMC will begin works starting with improvements in the facilities on all the stations for the safety and security of customers. Nine of the eleven substations are also in line for rehabilitation to help ensure more reliable train services.

Ayala Corporation Chairman & CEO, Mr. Jaime Augusto Zobel de Ayala said, "We are excited to work with our partners MPIC, Macquarie, the DOTC and the LRTA. Both the government and the private sector have commitments to meet under the concession framework. It is imperative that we work together to ensure the successful delivery of this project for the benefit of the riding public."

"After months of preparation, we are pleased to take on the operations of LRT 1," said Manuel V. Pangilinan, the Chairman of LRMC. "We consider the DOTC and LRTA to be our partners in this project, and will work to improve the Line over time, and make it a system that our commuters will not only enjoy riding, but one they can be truly proud of."

LRMC is owned by Light Rail Manila Holdings, Inc. (LRMH), Metro Pacific Light Rail Corporation (MPLRC), and Macquarie Infrastructure Holdings (Philippines) Pte. Limited. LRMH is jointly owned by MPLRC, a wholly-owned subsidiary of Metro Pacific Investments Corporation, and AC Infrastructure Holdings Corporation, a wholly-owned subsidiary of Ayala Corporation.

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