



SEC Reg. No. 152747

29 March 2016

Philippine Stock Exchange, Inc.

3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Ave., Makati City
Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Dear Madam,

We respond to your letter seeking our clarification and/or confirmation on the news article entitled "Bidding for Laguna dike project fails" published in Inquirer.net on March 29, 2016. The article reported in part that:

"The bidding process for the P123-billion Laguna Lakeshore Expressway Dike project failed yesterday as bidders snubbed the public private partnership (PPP) deal, dimming prospects for its revival within the term of President Aquino.

The project, which has a 37-year concession period, was an ambitious solution to heavy flooding in the area as well as parts of Metro Manila. It combines a 47-kilometer tollroad from Taguig in Metro Manila to Los Baños in Laguna running on top of a flood control dike, which would have been the longest in the world. Its main business sweetener is a 700-hectare land reclamation project on Laguna Lake that could be developed into mixed-use communities.

Hopes to award the project before the administration ends in June 2016 were dashed yesterday after all three prequalified groups did not submit offers, citing a combination of the project's high-risk and complexity, its lack of viability and the nearing shift in government leadership.

The three groups are Team Trident, comprised of Ayala Land Inc., SM Prime Holdings Inc., Aboitiz Equity Ventures Inc. and Megaworld Corp; San Miguel Corp., and the Alloy Pavi Hanshin LLEDP Consortium, comprised of Malaysia's MTD Group, South Korea's Hanshin and the family of former Sen. Manuel Villar Jr.

...."

We confirm that Ayala Land, Inc. (ALI) in consultation with the rest of the consortium members of Team Trident, agreed not to submit a bid for the Laguna Lakeshore Expressway Dike Project (the "Project")

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jaime E. Ysmael', with a long, sweeping horizontal stroke extending to the right.

JAIME E. YSMAEL
Senior Vice President
Chief Finance Officer and Compliance Officer

Cc

Philippine Dealing and Exchange Corporation

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave cor. Paseo de Roxas, Makati City

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

Securities and Exchange Commission

SEC Building, Mandaluyong City

Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Market Regulation Department