



July 21, 2018

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 & Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention: **Mr. Jose Valeriano B. Zuño III**
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

Mesdames/Gentlemen:

We are pleased to announce our placement of 8,810,000 common shares of stock at a price of Php916.00 per share. We completed the placement upon its approval by our Executive Committee.

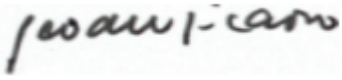
The sale was executed through a subscription agreement for 8,810,000 shares with a single long-term institutional investor who had made a reverse inquiry.

The placing price reflects a discount of 1.08% to the 30-day volume weighted average closing price of our shares. The placement raised Php8.07 billion with proceeds going to our Company and increasing our public float from 51.6% to 52.3%. We intend to use the proceeds to acquire properties or assets needed for the business of Ayala or for payment of debt contracted prior to the issuance of these shares.

The new shares to be issued 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, which constitutes 1.4% of our increased common stock.

Thank you

Very truly yours,

A handwritten signature in dark ink, appearing to read "Jose Teodoro K. Limcaoco", written in a cursive style.

JOSE TEODORO K. LIMCAOCO
Chief Finance Officer