



03 August 2021

Philippine Stock Exchange, Inc.

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

To **Janet A. Encarnacion**
Head, Disclosure Department

Philippine Dealing and Exchange Corporation

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City

To **Atty. Marie Rose M. Magallen-Lirio**
Head, Issuer Compliance and Disclosures Department

Securities and Exchange Commission

PICC Complex, Roxas Boulevard, Pasay City

To **Hon. Vicente Graciano P. Felizmenio, Jr.**
Director, Market Regulation Department

Dear Mesdames and Gentlemen,

Please see attached press release on Ayala Land's 1H 2021 results.

Thank you.

A handwritten signature in blue ink, appearing to read 'ASB', with a long horizontal flourish extending to the right.

AUGUSTO D. BENGZON

Senior Vice-President
CFO, Treasurer and Chief Compliance Officer

Press Release

ALI 1H21 income up 34%, presales jump 45% in 2Q21

August 3, 2021 – Ayala Land Inc. (ALI) registered consolidated revenues of P49.0 billion and a net income of P6.0 billion in the first six months of 2021, up 19% and 34% respectively from the same period in 2020, as the company showed significant improvements in performance compared to the first half of 2020 during the onset of the pandemic. In the second quarter alone, revenues and net income reached P24.3 billion and P3.3 billion, up 90% and 16.6x from the same period last year.

ALI's property development revenues grew 37% to P34.1 billion for the period, propelled by construction progress as well as higher sales bookings. Sales reservations in the second quarter totaled P19.7 billion, a substantial growth of 45% from the same period last year, as local demand remained strong despite the reimposition of ECQ from March until April. This brought first half sales reservations to P48.2 billion, up 26% from last year.

"The pandemic continues to provide an extremely challenging environment for majority of our business lines. Improvement in our performance in the first half of the year was driven primarily by our property development business, with residential demand showing resilience and construction progress driving revenue recognition. While it may take some time for our economy to fully reopen, particularly with the reimposition of ECQ in NCR, we are proactively launching new projects and ensuring we have adequate inventory to serve market segments that are demonstrating stability," said ALI President and CEO Bernard Vincent O. Dy.

Ayala Land has budgeted P100 billion worth of residential launches in 2021. In the first half, it launched 14 projects with a total value of P44.3 billion. Eight of these projects were launched in the second quarter and these include Anvaya Cove S3 in Morong, Bataan by Ayala Land Premier and Bayview Heights in Cagayan de Oro, Misamis Oriental by Alveo. In addition, Avida launched Averdeen Estates Phase 1 and Southdale Settings, both in Nuvali, Laguna, as well as Makati Southpoint Tower 2, and Astrea Tower 2 in Quezon City, while Amaia offered Amaia Steps The Junction Place and Amaia Skies Cubao Tower 2, both in Quezon City.

Commercial leasing revenues were weighed down by renewed restrictions with revenues declining 26% to P9.5 billion. Shopping center revenues likewise dipped 43% to P3.4 billion reflecting limited operations and ongoing rent discounts to support tenants. Office leasing revenues totaled P4.8 billion, a very slight improvement from last year as business process outsourcing and HQ operations cushioned the impact of POGO cancellations. Revenues from hotels and resorts meanwhile ended 42% lower to P1.2 billion as resort operations were restricted from the end of March until April.

As more growth centers develop outside of Metro Manila, Ayala Land continues to enhance its 30 sustainable estates nationwide by forging strong partnerships with major institutions. ALI's Alviera development in Pampanga will be the site of a new Miriam College, in addition to other institutions such as the Holy Angels University and the La Salle Botanical Garden. The 290-hectare Cresendo estate in Tarlac will also be the site of a new Don Bosco campus which will specialize in quality Technical-Vocational Education and Training. Prime commercial lots suited for a broad range of



commercial developments are being offered in several of its newest estates such as Alviera, District Square in South Coast City Cebu, and Vermosa in Cavite.

Capital expenditures for the period amounted to P32.1 billion, 50% of which was spent on residential projects, 21% for estate development, and 12% for land acquisition among other segments. ALI's balance sheet remains strong with a net gearing ratio of 0.74:1. The average cost of debt improved to 4.6% from 4.7% at the end of 2020. Of the total debt, 91% is locked-in with fixed rates, while 92% is contracted on a long-term basis.

Strengthening sustainability

"While we drive recovery in our different business units, we also intensified our focus on sustainability and community assistance during this difficult period, such as providing vaccination sites across our properties and stepping up our community engagement by providing social enterprises venues to sell their products. In addition, we continue to make progress in protecting our environment with our carbon neutrality and waste recycling programs," said Dy.

Along with assisting communities in times of natural calamities, ALI's *Alagang AyalaLand* has provided rent-free spaces in Ayala Malls for at least 300 social enterprises this year, with the objective of aiding their growth, fueling local consumption and ultimately helping to accelerate the country's recovery. *Alagang AyalaLand* is the company's ongoing community engagement program to generate livelihood through social enterprises, provide disaster relief, and promote a sustainable environment.

Meanwhile, ALI has sustained its commitment to environment stewardship. It has reached 91% carbon neutrality in its commercial properties and is expected to achieve its target of fully offsetting emissions by 2022. This was accomplished mainly by switching to renewable energy and protecting 586 hectares of forests within its land bank. Moreover, its "circular waste management" initiative in partnership with Green Antz has so far diverted 28 metric tonnes of plastic waste from landfills and have recycled them to eco-pavers which it is now using for pathways, sidewalks and fences within its projects.

The company recently celebrated its milestone 30th year as a listed company at the Philippine Stock Exchange, noting that its market capitalization has grown almost 14-fold to 500 billion from 42 billion in 1991.

The company maintains a total land bank of 12,483 hectares nationwide as it continues to widen its reach through diversified offerings across five residential brands, with 2.12 million square meters of malls, 1.30 million square meters of offices, 4,030 hotel and resort rooms, and a recent expansion into new leasing formats such as warehousing, co-living and co-working spaces.

For more information, please contact:

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ABOUT AYALA LAND, INC.

Ayala Land is the Philippines' leading developer of sustainable estates, offering a diverse mix of properties such as residential, retail, office, hotels, and leisure developments, that support local economic growth and nation-building.

The company was established in 1988 as the real estate arm of Ayala Corporation, a pioneer conglomerate and builder of the country's premier financial and commercial district, now known as Makati Central Business District and Ayala Center.

Today, Ayala Land has a total of 30 sustainable estates and is present in 57 growth areas nationwide. It has five residential brands, namely Ayala Land Premier, Alveo, Avida, Amaia, and BellaVita, which deliver quality homes to a broad segment of the housing market. Its commercial development and leasing portfolio are comprised of Ayala Malls, Ayala Land Offices, and Ayala Land Hotels and Resorts Corporation.

Ayala Land, Inc.

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