

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING

April 21, 2017 at 9:00 AM

Ballroom 2, Fairmont Makati

1 Raffles Drive, Makati Avenue, Makati City

	No. of Outstanding and Voting Shares	Percentage of Total
Shareholders Present:	683,266,391	78.742%

Directors Present:

Jaime Augusto Zobel de Ayala

*Chairman of the Board
Chairman, Executive Committee
Member, Finance Committee*

Fernando Zobel de Ayala

*Vice Chairman of the Board and President
Member, Executive Committee
Member, Finance Committee*

Yoshio Amano

*Member, Executive Committee
Member, Audit Committee
Member, Risk Management and Related Party
Transactions Committee
Member, Personnel and Compensation Committee*

Ramon R. Del Rosario, Jr. (independent director)

*Chairman, Nomination Committee
Chairman, Personnel and Compensation Committee
Member, Audit Committee
Member, Risk Management and Related Party
Transactions Committee*

Xavier P. Loinaz (independent director)

Chairman, Audit Committee

Antonio Jose U. Periquet (independent director)

*Chairman, Risk Management and Related Party
Transactions Committee
Member, Nomination Committee
Member, Finance Committee*

Delfin L. Lazaro

*Chairman, Finance Committee
Member, Personnel and Compensation Committee*

1. Call to Order

After the national anthem, the Chairman, Mr. Jaime Augusto Zobel de Ayala, called the meeting to order at 9:00 a.m. He welcomed the stockholders, members of the Board of Directors, the President and other officers of the Corporation.

2. Notice of Meeting

The Secretary, Mr. Solomon M. Hermosura, certified that the notice of the meeting was sent by March 15, 2017 to each stockholder of record as of February 20, 2017 in accordance with the By-Laws and applicable rules. The notice was also published on April 9, 2017 in the Philippine Daily Inquirer and the Philippine Star, both newspapers of general circulation.

3. Determination of Quorum

The Secretary certified that there was a quorum for the meeting with stockholders owning 683,266,391 or 78.742% of the total outstanding shares present in person or by proxy.

4. Instructions on Voting Procedures

The Chairman requested that any stockholder who wished to speak should identify himself after being acknowledged by the Chair and should limit his or her remarks to the item in the Agenda under consideration.

The Secretary then explained that printed copies of the voting procedures had been provided to the stockholders or their proxies upon registration at the meeting and highlighted the following key points:

- a. The polls are open for the stockholders to cast their votes electronically or manually;
- b. A stockholder may vote manually using the ballot provided upon registration and placing the voted ballot in the ballot boxes located at the Registration area.
- c. A stockholder may also vote electronically using any of the sixteen computers at the stations for electronic voting outside the Ballroom.
- d. The paper ballot and the electronic voting platform set forth the proposed resolutions for consideration by the stockholders and each proposed resolution would be shown on the screen in front as it is taken up during the meeting.
- e. The Corporation allowed voting in absentia by sending out to each stockholder a ballot with a proxy form, which was required to be submitted at least seven (7) days before the meeting. The votes in the ballot would be counted even if the stockholder has not attended personally or by proxy.

The Secretary reported that stockholders owning 679,834,624 voting shares representing 99.77% of the total voting shares represented in the meeting or 82.83% of the total outstanding voting shares had cast their votes on the items for consideration by the stockholders; that the votes of these stockholders had been tabulated; that he would be referring to such partial tabulation when reporting the voting results throughout the meeting; that there were remaining votes that have yet to be counted; and that the results of the complete and final tabulation of votes would be reflected in these minutes.

5. Approval of the Minutes of the 2016 Stockholders' Meeting

The Chairman then proceeded with the approval of the minutes of the annual stockholders' meeting held on April 15, 2016. Copies of the minutes were distributed to the stockholders prior to the meeting and an electronic copy of the minutes was posted and could be accessed on the website of the Corporation. There being no question on the item under consideration, the Chairman requested for a motion for approval.

On motion of Ms. Dolores E. Danila, seconded by Ms. Francia G. Habana, the stockholders approved the minutes and adopted the following Resolution No. S-01-17, which was shown on the screen:

Resolution No. S-01-17

RESOLVED, to approve the minutes of the annual stockholders' meeting held on April 15, 2016.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the motion for the approval of the minutes and the adoption of Resolution No. S-01-17 are as follows:

	For	Against	Abstain
Number of Voted Shares	681,842,300	0	35,267
% of Shares Voted	99.994%	0%	0.005%

6. Annual Report of Officers

Chairman's Message

The Chairman reported that the Philippines has maintained its positive economic trajectory in 2016 despite tepid global economic growth and heightened uncertainties from geopolitical concerns globally. In contrast to the lackluster global economic picture in 2016 characterized by muted cross-border trade, subdued business investments, and lingering deflationary pressures, consumer outlook in the Philippines reached a record high, with the overall confidence index registering a positive 9.2% for 2016.

The Ayala group capitalized on this positive momentum in the domestic environment by pursuing an aggressive growth strategy that led to the expansion of the Corporation's core businesses in real estate, banking, telecommunications, and in water distribution while investing in new business initiatives in power, infrastructure, industrial technologies, healthcare, and education.

The Chairman disclosed that the Corporation closed 2016 with a successful execution of its five-year strategic plan to increase its earnings capacity, improve shareholder returns, and rebalance its investments to create a more resilient portfolio. It was able to (i) double the Corporation's net income to PhP20 Billion a year ahead of the plan; (ii) increase the equity earnings contribution of the Corporation's emerging businesses to 12%, a turnaround from its negative contribution in 2011, and (iii) improve the Corporation's return on common equity, which stood at 12.6% in 2016, up from the 2011 level of 8.8%.

These achievements were reflected in the strong appreciation of the Corporation's share price. The Corporation's total shareholder return is at 19.4% per annum over the past five years on a compounded basis. Its share price is currently 18% higher than at the start of the year. Furthermore, its market capitalization grew 20% per annum from 2012 to 2016.

For 2017, the Chairman revealed that the Ayala group has a planned PhP185 billion in combined capital expenditures across the Corporation's portfolio of businesses. This is consistent with the level of capital

that the Corporation deployed over the past five years, which reached a cumulative amount of P720 billion, an amount equivalent to approximately 45% of the government's infrastructure spending over the same period.

As part of its strategy, the Corporation established AC Industrials last year to consolidate IMI and AC Automotive into a single business grouping to capture the growing opportunities amid technological shifts in automotive and manufacturing.

This year, the Corporation made investments in e-commerce and FinTech. In FinTech, the Corporation acquired last month a 10% stake in Mynt together with Ant Financial—whose owners also own the Alibaba Group—which acquired 45 percent of Mynt. This partnership allows Mynt to become a world-class online and offline payment provider, scale its mobile wallet services, and provide a wider range of digital financial services. In e-commerce, Ayala acquired a 43% stake in Zalora Philippines, the country's largest online fashion platform which generates more than 3,800 customer orders per day, which is more than 10 times the country's second largest fashion e-commerce player.

The Corporation aims to generate 10% of its equity earnings from the group's various international investments by 2020 – with some of its businesses having already made inroads into ASEAN namely, Manila Water (Vietnam), Ayala Land (Malaysia) and AC Energy (Indonesia).

Having recognized the need for businesses to develop a more encompassing and progressive partnership with society, the Ayala group is now contributing to the country's energy requirements through AC Energy and providing safe and reliable transport systems through AC Infrastructure. Through AC Health and AC Education, the Corporation is expanding its reach to the low-income segment with affordable products and services that are specifically designed to meet their real needs, preferences, and motivations. Through AC Industrials, it is aiming to generate employment with greater scale.

The Chairman shared that the Corporation constantly looks for new ways to raise the standards of its value creation and sustainability processes to globally acknowledged principles. To this end, it has anchored its shared value creation process on the United Nations Sustainable Development Goals, which is a roadmap for good business with a 15-year horizon and is the first business group in the Philippines to have adopted the integrated annual reporting framework.

The Chairman then highlighted the three guiding principles for the Corporation's decisions and actions - first, where others see challenges, the Corporation sees potential; second, the Corporation is driven to find better ways to address the many needs of customers through new and better products and services; and finally, the Corporation has a shared commitment to improving lives by aligning its business goals more specifically to the developmental needs of the communities it serves.

Noting that the progress that the Corporation has made over the past five years would not have been possible without the engagement, foresight, and determination of the various teams in the organization, the Chairman thanked the Corporation's Board of Directors for its support, the management team and staff for their shared philosophy in value creation, the business partners, shareholders, and all stakeholders for their continued trust.

Before the Chairman turned over the floor to the Corporation's President, he thanked the outgoing member of the board, Mr. Yoshio Amano, for his many contributions to the organization and who, since his election in 2012, has been instrumental in forging successful partnerships between the Mitsubishi and Ayala groups, particularly in the real estate and power sectors.

Finally, the Chairman welcomed Mr. Keiichi Matsunaga who will take over from Amano-san as Mitsubishi's representative on the board.

President's Report

The President, Fernando Zobel de Ayala, reported that in 2016, the Corporation's net income expanded 17% from the previous year to ₱26 billion mainly driven by its real estate and banking businesses, and boosted by its water, power, and industrial technologies units - translating to a compounded annual growth rate of 23% since the Corporation set the plan in motion in 2011.

The Corporation's stronger earnings capacity was driven by the robust performance of its core businesses, Ayala Land, Bank of the Philippine Islands, Globe Telecom, and Manila Water in the last five years. In addition, some of the Corporation's emerging businesses are beginning to contribute positively to the bottomline. This was led by AC Energy and AC Industrials, which both performed strongly in the past year. The Corporation also continues to explore potentially disruptive trends and participate in the transformation of industries. In recent years, the Corporation formed AC Health and AC Education as components of its social infrastructure investments.

In real estate, Ayala Land's net income in 2016 grew 19% to ₱20.9 billion backed by the solid performance of almost all its business units. With a landbank of 9,852 hectares across 20 sustainable estates and 55 growth areas in the Philippines, it is ensuring that it has a positive impact on communities and the environment. In addition, it is building up its recurring income business to create a more resilient portfolio that can withstand economic cycles and pave the way for sustainable growth in the long-term. It launched 43 projects valued at ₱88 billion, ₱62 billion of which accounted for residential and office projects for sale. It spent ₱85.4 billion in capital expenditures and introduced two key mixed-use developments—One Ayala in the Makati Central Business District and the 17.5-hectare Gatewalk Central in Mandaue, Cebu.

In the banking sector, BPI achieved last year a record performance at a time of extremely volatile markets and geopolitical concerns around the world, generating a net income of P22.05 billion, up 21 percent from the previous year. BPI also started a very significant multi-year investment to upgrade its digital infrastructure. It was one of the first banks in the country to deliver an image-based check clearing service for faster and more accurate processing. It also successfully launched the first Security Operations Center together with other major Philippine banks. BPI assumed full ownership of BanKo, a mobile-based savings bank that extends financial services to unbanked households and entrepreneurs and partnered with Rizal Bank of CARD MRI, a leading microfinance institution in the country serving over 3.6 million clients nationwide.

Despite heightened industry competition, Globe delivered double-digit growth across all data-related services, helped in part by the full year consolidation of Bayan. Data revenues now account for nearly 50 percent of Globe's consolidated service revenues, which stood at P120 billion in 2016, 6% higher than a year ago. By focusing on customer experience amid increasing data-driven demand, Globe gained recognition as the number one mobile company in the Philippines in 2016. Globe's subscriber base continued to expand with mobile subscribers reaching 62.8 million, up 12%, while home broadband subscribers grew 6% to 1.13 million from a year ago. Despite topline growth, the impact of non-operating and depreciation expenses from its network infrastructure investments and recent strategic acquisitions weighed down on Globe's net profits in 2016, which declined four percent to P15.9 billion - a temporary setback as the foundation is laid for sustainable growth for the future.

Manila Water's presence now spans Luzon, Visayas, and Mindanao. Its operations in Boracay, Clark, Cebu, and Laguna continue to ramp up. Its projects in Zamboanga and Tagum are in the pre-operating stage, while it recently won long-term concessions to operate the water systems in Calasiao in Pangasinan and in Obando in Bulacan. In Southeast Asia, Manila Water remains a strong player in Ho Chi Minh City

in Vietnam, where it supplies a third of the city's total water demand. It is also exploring opportunities in the region through pilot projects in Yangon in Myanmar and Bandung in Indonesia. In 2016, it launched Estate Water to undertake projects for the provision of water and used water services in real estate developments. Manila Water has subsequently partnered with the SM group to service some of its properties and is in discussions with other property developers. Through these initiatives, as well as the continued improvements in the Manila Concession, Manila Water's net income reached P6.1 billion in 2016, up 2% from the previous year. The non-Manila Concession accounted for 17% of Manila Water's net earnings during the period.

The Corporation established AC Industrials to consolidate the Group's investments in manufacturing and automotive—with IMI as the core manufacturing business, serving also as a conduit to tap different markets and technologies globally, and AC Automotive as the vehicle retail arm. In support of this vision, IMI acquired a 76% stake in VIA Optronics, a leading optical bonding and display solutions provider based in Germany. The Corporation has also partnered with KTM AG, the largest motorcycle manufacturer in Europe, to distribute and manufacture motorcycle models in the Philippines under the KTM brand for the domestic market and export to China and eventually, to Southeast Asia. On a combined basis, Ayala's industrial technologies portfolio reached P1.2 billion in equity earnings in 2016, 51% higher than a year ago as its automotive business contributed significant profit growth.

Another emerging business is AC Energy, which is now a significant contributor to Ayala's bottomline. In 2016, AC Energy posted a 25% growth in net income to P2.7 billion. This was achieved through a strong equity earnings contribution from its operating assets and gains from the partial sale of its stake in South Luzon Thermal Energy Corporation. Five years ago, the Corporation committed US\$800 million in equity for AC Energy to assemble 1,000 megawatts of attributable power generating capacity in renewable and conventional platforms by 2016, a target which it had already exceeded. Last December, AC Energy, as part of a consortium, won the bidding for the acquisition of Chevron's geothermal operations in Indonesia and the Philippines. Moreover, in January 2017, AC Energy partnered with UPC Renewables Indonesia to develop a 75-megawatt wind farm project in Sidrap, South Sulawesi, Indonesia. The Corporation expects AC Energy to be a major segment of Ayala's portfolio in the next five years.

In the area of infrastructure, AC Infrastructure continues to ramp up its operations in its three public-private partnership projects. In LRT 1, Light Rail Manila Corporation (LRMC) increased its capacity by 30% to 100 light rail vehicles. Average daily ridership exceeded 500,000 multiple times in December 2016. In February 2017, LRMC inaugurated the improved Doroteo Jose station, which will serve approximately 27,000 passengers interconnecting to LRT 2. The Muntinlupa-Cavite Expressway is currently servicing an average of over 27,000 vehicles daily as of February 2017. The Beep payment card posted P9.7 billion in total transactions, having reached 2.8 million users in 2016. The Beep card has now expanded beyond rail to include select bus lines. It is also accepted as a payment platform in 80 FamilyMart stores.

The Corporation has also moved into two sectors that it considers to be critical parts of the country's social infrastructure. In healthcare, AC Health continued to grow its partnership with Generika. It opened 116 stores in 2016, bringing its total network to 674 stores nationwide. In primary care, AC Health launched an innovative chain of retail community clinics called FamilyDOC that combines primary care, a laboratory, a pharmacy, and a convenience store all in one area. Six clinics have been opened with a growing base of over 16,000 unique patients served since piloting this project in late 2015. AC Health intends to open 18 new clinics in 2017.

In education, AC Education continues to deliver affordable, quality education that enhances the employability of its high school and college graduates. Last year, APEC schools tripled its total student

population to 10,500 students from 3,300 in the previous year. Meanwhile, the University of Nueva Caceres in Naga welcomed 7,700 students in the last school year.

In both sectors, Ayala continues to look for opportunities to scale its existing platforms and achieve a more meaningful impact to the country's social infrastructure.

Ayala's balance sheet continues to be strong. At the parent level, cash amounted to P16.4 billion while net debt stood at P60 billion at the end of 2016. Net debt to equity ratio during the period was 0.56 at the parent level and 0.63 at the consolidated level. Ayala's loan to value ratio, the ratio of the parent net debt to the total value of investments, stood at 11% at the end of 2016. This healthy balance sheet and cash position allow the Group to pursue investments, both domestically and internationally, as well as comfortably cover its dividend and debt obligations.

The Corporation believes that the profitability of the businesses must be properly balanced with their wider sustainable impact on society and the environment. In this connection, Ayala group's investments in various sectors translated to P720 billion in combined capital spending over the past five years; its combined taxes over the past five years amounted to P189 billion and it remains to be one of the largest employers in the country.

With the pressing risk posed by climate change, the Corporation is intensifying its efforts to preserve the health of the environment in a more direct way. Ayala Land has announced an ambitious target to achieve carbon neutrality by 2022 by implementing energy-efficiency initiatives across its properties all over the country. AC Energy has also set out a target to assemble 1,000 megawatts of attributable power generating capacity from renewable sources by 2020. In addition, last year, the Corporation launched Project Kasibulan, or "nurture and growth," a program that engaged employees from the Group's various companies in a comprehensive forest protection and rehabilitation drive.

The President noted that overall, the Corporation continues to feel positive about the domestic environment as its business units continue to perform well and remain on track for their 2020 targets. In conclusion, the President thanked the Corporation's Board of Directors for their guidance and the management and staff's shared commitment not just to succeed, but to reinvent the way things work so that people's lives can be truly changed for the better.

After the report of the President, an audio-visual presentation was shown to the stockholders.

Thereafter, the Chairman opened the floor for questions or comments from the stockholders on the annual report or the 2016 financial statements.

Referring to a particular investment made by BPI in a company which appeared to have performed badly, Mr. Philip Turner asked what can be done for the Corporation to avoid similar situations. The Chairman answered that there is always a component of risk in all investments, and failures will always be part and parcel of any portfolio but that the Corporation has consistently striven to have its successes exceed its failures to a significant degree, thereby providing a regular return on its capital. The Corporation's Chief Financial Officer, Mr. Jose Teodoro K. Limcaoco, further explained that the Group has employed a policy of reviewing the value of its investments often and testing such investments for impairment. He assured Mr. Turner that BPI must have strategic reasons for holding on to the subject investment.

Mr. Turner further asked about the Group's risk management procedures. The Chairman confirmed that while the Corporation has sound risk management processes in place, there will be instances when the investments do not work out. In such cases, there will be escape clauses in one form or another. What is

important though is that the Corporation and the Group account for such investments and make the necessary adjustments.

Mr. Turner then congratulated the Corporation for an excellent presentation.

Mr. Albert Reiterer first commended the Board and then asked if the Corporation has any plans to enter into the logistics business. The Chairman responded that the Corporation is very interested in the logistics field and that the Zalora business could be a platform for the Corporation to build on in the logistics space.

In response to Mr. Reiterer's second question, Mr. Limcaoco informed the stockholders that Zalora Philippines hopes to turn a profit by 2019, based on its business plan.

Mr. Reiterer further asked if the Corporation has other ideas to bring production into the Philippines. The Chairman answered in the affirmative and explained that it was the transformation taking place in the automotive industry where vehicle components are increasingly becoming electronic in nature as well as IMI's status as a global player that instigated the Corporation's decision to bring together its automotive and manufacturing interests and take on a more pro-active stance. The Chairman mentioned the Corporation's belief that the Philippines has the potential to build up the manufacturing space in a robust way and KTM was just the first step. Mr. Arthur Tan confirmed that the Philippines has the potential to be a manufacturing hub because of regionalization and the transition toward hybrid manufacturing. This is why KTM decided to use IMI and Ayala as its base to serve the emerging market in ASEAN.

Upon Mr. Reiterer's query, the Chairman responded that the year is looking relatively positive if the BPI numbers for the first quarter of 2017 were to be used as a proxy for the numbers of the Corporation.

After making some initial comments on the annual report, including the weight thereof and the paper used, Mr. Robert Go posed a query concerning IMI and Tesla. Mr. Tan disclosed that IMI has worked on projects with Tesla. He also clarified that Tesla is a car company that uses different components from different suppliers as a system and IMI works directly with the system supplier for Tesla, not directly with Tesla.

In response to Mr. Go's inquiry, the Chairman partly attributed the absence of any female representation in the Board to the Board's relatively small size. Ms. Ma. Victoria A. Tan then addressed Mr. Go's questions about Project Kasibulan – explaining that it is a comprehensive forest protection and rehabilitation program and assuring him that the trees being planted are native trees, specifically Dita trees.

Ms. Tomasa "Tammy" H. Lipana asked for the reason behind the non-inclusion of "ratification of the acts of the Board and Management" in the agenda of the meeting. Upon the Chairman's request, Mr. Solomon M. Hermosura, the Corporate Secretary of the Corporation, explained that the decision to exclude such item was reached after the Securities and Exchange Commission demanded a complete list of all the acts and access to all the minutes of the meetings of the Board, its committees and management. In any event, the previous inclusion of such an item was not intended for legal compliance but was only meant to give the shareholders greater participation in the Corporation.

When asked by Mr. Nestor Lim about the possibility of Ayala Corporation taking over Phinma Energy, the President good-naturedly responded that the Corporation has been good friends and partners with the owner of Phinma Energy, Mr. Ramon R. Del Rosario, Jr. for many years and that they will continue to work together in that manner.

There being no other questions and comments from the stockholders, Mr. Rafael A. Guillermo, seconded by Ms. Ma. Ruby W. Lavides, moved for the noting of the annual report, the approval of the 2016 consolidated audited financial statements, and the adoption of the following Resolution No. S-02-17, which was shown on the screen:

Resolution No. S-02-17

RESOLVED, to note the Corporation's Annual Report, which consists of the Chairman's Message, the President's Report, and the audio-visual presentation to the stockholders, and to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of December 31, 2016, as audited by the Corporation's external auditor SyCip Gorres Velayo & Co.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the motion for the noting of the annual report and the approval of the 2016 audited financial statements, and the adoption of Resolution No. S-02-17 are as follows:

	For	Against	Abstain
Number of Shares Voted	681,810,163	0	67,297
% of Shares Voted	99.989%	0%	0.010%

7. Election of Directors

The next item in the Agenda was the election of the seven (7) members of the Board of Directors for the ensuing year. The Chairman requested Mr. Ramon R. Del Rosario, Jr., Chairman of the Nomination Committee, to explain this item.

Mr. Del Rosario, Jr. explained that in accordance with the requirements of the Corporation's By-Laws, the Manual of Corporate Governance, and the Charter of the Board of Directors, the names of the following nominees to the Board had been submitted to the Nomination Committee, and each one has accepted the nomination in writing:

Jaime Augusto Zobel de Ayala
Fernando Zobel de Ayala
Keiichi Matsunaga
Ramon R. Del Rosario, Jr.
Delfin L. Lazaro
Xavier P. Loinaz
Antonio Jose U. Periquet

Messrs. Del Rosario, Jr., Loinaz and Periquet had been nominated as independent directors in accordance with the rules of the Securities and Exchange Commission (SEC) on nomination and election of independent directors.

Mr. Del Rosario, Jr. further reported that all the nominees possessed all the qualifications and none of the disqualifications under the Corporation's By-Laws, the Manual of Corporate Governance and the Charter of the Board of Directors, and were eligible to be nominated and elected directors of the Corporation.

The Chairman asked the stockholders if they have any questions or comments. There being none, the Chairman requested the Corporate Secretary to report the results of the election.

The Corporate Secretary reported that based on the partial tabulation of votes, each of the seven nominees has garnered at least 647,043,222 votes, which represents 78.84% of the total outstanding voting shares. Given this, he certified that each nominee has received enough votes for election to the Board.

With such certification, the Chairman requested for a motion for approval.

On motion of Ms. Ma. Clarissa Buenaventura-Sereno, seconded by Ms. Agnes A. Pajilan, the stockholders elected the seven (7) nominees as directors of the Corporation for the ensuing year to serve as such until their successors are elected and qualified, and adopted Resolution No. S-03-17. The text of the following Resolution No. S-03-17 was shown on the screen.

Resolution No. S-03-17

RESOLVED, to elect the following as directors of the Corporation to serve as such beginning today until their successors are elected and qualified:

Jaime Augusto Zobel de Ayala
 Fernando Zobel de Ayala
 Keiichi Matsunaga
 Ramon R. Del Rosario, Jr.
 Delfin L. Lazaro
 Xavier P. Loinaz
 Antonio Jose U. Periquet

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the final votes received by the nominees are as follows:

	For	Against	Abstain
Jaime Augusto Zobel de Ayala	677,379,560	2,405,869	2,040,230
% of Shares Voted	82.534%	0.293%	0.249%
Fernando Zobel de Ayala	672,072,230	9,703,482	44,940
% of Shares Voted	81.888%	1.182%	0.005%
Keiichi Matsunaga	676,069,891	5,715,200	35,560
% of Shares Voted	82.375%	0.696%	0.004%
Ramon R. Del Rosario, Jr.	673,891,302	7,884,840	44,500
% of Shares Voted	82.109%	0.961%	0.005%
Delfin L. Lazaro	672,891,098	8,893,994	35,560
% of Shares Voted	81.987%	1.084%	0.004%
Xavier P. Loinaz	681,731,052	54,470	35,120
% of Shares Voted	83.064%	0.007%	0.004%
Antonio Jose U. Periquet	675,678,626	6,097,516	44,500
% of Shares Voted	82.327%	0.743%	0.005%

8. Election of External Auditor and Fixing of Its Remuneration

At the request of the Chairman, Mr. Xavier P. Loinaz, Chairman of the Audit Committee, informed the stockholders that the Committee evaluated and was satisfied with the performance of the Corporation's external auditor, SGV. Thus, the Audit Committee and the Board agreed to endorse the election of SGV

as the external auditor of the Corporation for the current fiscal year for an audit fee of PhP5.4 million, inclusive of value-added tax.

With no stockholder raising any question or comment, on motion of Ms. Florence Therese DG Martirez-Cruz, seconded by Ms. Anabell Tapang, the stockholders elected SGV as external auditor of the Corporation for the current fiscal year, approved SGV's audit fee, and adopted the following Resolution No. S-04-17, which was shown on the screen.

Resolution No. S-04-17

RESOLVED, as endorsed by the Board of Directors, to approve the re-election of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2017 for an audit fee of PhP5.4 million, inclusive of value-added tax.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the election of SGV as external auditor of the Corporation, the approval of its audit fee, and the adoption of Resolution No. S-04-17 are as follows:

	For	Against	Abstain
Number of Shares Voted	678,895,011	2,947,434	35,268
% of Shares Voted	99.562%	0.432%	0.005%

9. Other Matters

The Chairman opened the floor for questions or comments from the stockholders on matters which are relevant and of general concern to the stockholders.

The Chairman addressed and noted the various concerns raised by Mr. Robert Go including the possibility of having only one external auditor for the Ayala Group of companies, "bloated results generated by external auditors", the sharp edges of the Annual Report pages and the Corporation's policy concerning human rights.

In answer to Mr. Joseph Rivera's query about Generika branches, Mr. Paolo Maximo F. Borromeo explained that out of 670 Generika drugstores nationwide, 85% to 90% are franchise stores and that there is one franchise store in Makati City, specifically in Makati Cinema Square. On Mr. Rivera's query about Makati re-development, the President confirmed that there is a great deal of re-development in Makati City which is being done gradually. The biggest development currently underway is One Ayala, which will be a transportation hub. The President informed Mr. Rivera that the Corporation is a major participant in constantly looking for ways of improving Makati.

Upon the inquiry of Ms. Rose Villangca, the Chairman explained that the government has not made any decision yet about the Philippine National Railway (PNR) project but that the Corporation would consider it when the parameters are in place.

Mr. Go asked about the Corporation's involvement in the drug rehabilitation program of the Philippine government. Mr. Ruel T. Maranan, President of Ayala Foundation, Inc. disclosed that there is an existing partnership with the local government of Marawi City and the Department of Interior and Local Government for the establishment of a community-based rehabilitation center in Marawi City (Project

Siapen). Turn-over is targeted for the 2nd quarter of 2017. The Chairman added that the Group is looking for other potential projects, with announcements to be made in due time.

11. Adjournment

There being no other matters to discuss, on motion of Ms. Ma. Ruby W. Lavidés, seconded by Ms. Johanna Y. Prieto, the meeting was adjourned.



SOLOMON M. HERMOSURA
Corporate Secretary

ATTESTED BY:

JAIME AUGUSTO ZOBEL DE AYALA
Chairman of the Board & of the Meeting