



06 March 2008

Securities & Exchange Commission

Attn.: Director Justina F. Callangan
Corporation & Finance Department
S.E.C. Building, EDSA
Mandaluyong City

Ayala Corporation

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Makati City 1254 Philippines

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Philippine Stock Exchange

Attn.: Atty. Pete M. Malabanan
Head - Disclosure Department
4/F PSE Center, Exchange Road
Ortigas Center, Pasig City

Gentlemen:

Please be informed that the Board of Directors of Ayala Corporation (the "Corporation"), at its meeting held today, 06 March 2008, approved the declaration and payment from the unappropriated retained earnings of the Corporation as of 31 December 2007, of the quarterly cash dividends of 9.4578% per annum, to all shareholders of the Corporation's outstanding Preferred Class "B" Shares with record date of 27 March 2008 and payable on 21 April 2008. The declaration covers the dividend period 21 January 2008 to 21 April 2008.

The above information is being submitted in compliance with the disclosure rules of the Securities and Exchange Commission and the Philippine Stock Exchange.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Renato O. Marzan'.

RENATO O. MARZAN

General Counsel and Group Head
Corporate Governance & Legal Affairs
and Internal Audit Group