



October 1, 2018

Securities and Exchange Commission

SEC Building, Mandaluyong City

Attention: **Director Vicente Graciano P. Felizmenio, Jr.**
Director, Markets and Securities Regulation Department

The Philippine Stock Exchange, Inc.

3/F Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City 1226

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Philippine Dealing and Exchange Corporation

37/F Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas, Makati City 1226

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

Mesdames/Gentlemen:

Further to our disclosure dated January 8, 2018, please be informed that Ayala Corporation, AC Education, Inc. (AC Education), House of Investments, Inc., and iPeople, inc. (iPeople) signed the definitive agreements for the merger of AC Education with iPeople. The merger, which shall be completed as a statutory merger in accordance with Philippine law, shall be subject to the approval of the stockholders of AC Education and iPeople as well as to securing the necessary regulatory approvals.

Post-merger, listed iPeople shall be the surviving entity with the House of Investments, Inc. and Ayala Corporation controlling 51.3% and 33.5%, respectively, of the combined entity. The transaction values the combined entity at approximately Php15.5 billion.

The merger will bring together the 7 educational institutions of iPeople and AC Education, which together will offer quality education to students across all income segments, with campuses in Metro Manila, Calabarzon, the Bicol Region, and Mindanao. The merger will include iPeople and its significant subsidiary, Malayan Education System, Inc. (Operating under the name of Mapua University), one of the country's leading engineering and technical universities, a world ranked QS-3 star university and the school with the most CHED Centers of Excellence in Engineering, and its subsidiaries, Malayan Colleges Laguna, the best board exam performing private higher education institution in Calabarzon, Malayan Colleges Mindanao in Davao, and Malayan Science High School in Manila. It will also include AC Education and its subsidiaries, the University of Nueva Caceres, one of the oldest and largest universities in Bicol, National Teachers College, the country's pioneer private teachers' training tertiary education institution, and APEC Schools, the largest chain of private stand-alone high schools in the country. Together, the combined student population of these schools will be almost 60,000 students.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jose Teodoro K. Limcaoco'.

Jose Teodoro K. Limcaoco
Chief Finance Officer