



INVESTMENTS CORPORATION

March 13, 2019

PHILIPPINE STOCK EXCHANGE, INC.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

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

PHILIPPINE DEALING & EXCHANGE CORP.
37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave., cor. Paseo de Roxas, Makati City

Attention: **Atty. Joseph B. Evangelista**
Head, Issuer Compliance and Disclosure Department

Ladies and Gentlemen:

We reply to the Philippine Stock Exchange's request for clarification on the news article entitled "SMIC allots P98b for 2019 investments" posted in manilastandard.net on March 12, 2019, the pertinent portion of which reads:

"SM Investments Corp., the holding company of the Sy family, earmarked P98 billion for 2019 capital expenditures to support the expansion of its real estate, banking and retail businesses.

SMIC said in an investor presentation property unit SM Prime Holdings Inc. would get the lion's share of the capital spending at P80 billion.

It said of the amount, 55 percent or P44 billion would go to the development of new malls and expansion of existing ones. About 34 percent or P27 billion will be for the construction of high-rise and mid-rise residential projects and the remaining 11 percent or P8.8 billion will be for the completion of office and hotel projects.

The conglomerate will allocate P9 billion to P12 billion for banking units BDO Unibank Inc. and China Banking Corp. for branch expansion and IT enhancements.

SM Retail is spending P5 billion in 2019 to roll out new stores and renovate existing outlets.

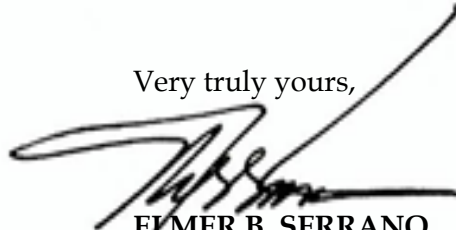
SM Retail had 2,328 stores as of end-2018, including 63 department stores, 882 food retail outlets and 1,383 specialty stores with 2.89 million square meters of gross selling area.

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We confirm the above news article.

Thank you.

Very truly yours,



ELMER B. SERRANO
Corporate Secretary