



June 20, 2008

**The Philippine Stock Exchange, Inc.**  
Phil. Stock Exchange Center, Exchange Road  
Ortigas Center, Pasig City, Metro Manila

**Attention of Atty. Pete M. Malabanan**  
Head, Disclosure Department

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Gentlemen:

This refers to the article dated today which appeared in *The Manila Times*. The article reported in part that:

. . . the firm plans to spend up to P4 billion in the next five years to build three to four malls in mainland China . . .

This is to clarify that SM Prime Holdings, Inc. is still in the process of firming up its expansion and funding plans in China. The Company will make an appropriate disclosure to the Exchange once a definite plan is approved by management.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jeffrey C. Lim', written over a faint circular stamp.

**JEFFREY C. LIM**  
Executive Vice-President