

AS094-000088

SEC Registration Number

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES

(Company's Full Name)

10th Floor Mall of Asia Arena Annex Building, Coral Way cor. J.W. Diokno Blvd., Mall of Asia Complex, Brgy. 76 Zone 10, CBP-1A, Pasay City 1300

Mr. John Nai Peng C. Ong

(Contact Person)

831-1000

(Company Telephone Number)

05 06
Month Day
(Calendar Period)

17-C
(Form Type)

Month Day
(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE (SRC)
AND SRC RULE 17(a)-1(b)(3) THEREUNDER

1. **May 06, 2019**
Date of Report
2. SEC Identification Number **AS094-000088**
3. BIR Tax Identification No. **003-058-789**
4. **SM PRIME HOLDINGS, INC.**
Exact name of registrant as specified in its charter
5. **PHILIPPINES**
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **10th Floor Mall of Asia Arena Annex Building, Coral Way cor. J.W. Diokno Blvd., Mall of Asia Complex, Brgy. 76, Zone 10, CBP-1A, Pasay City, Philippines**
1300
Address of principal office
Postal Code
8. **(632) 831-1000**
Registrant's telephone number, including area code
9. **N/A**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON STOCK, P1 PAR VALUE	28,879,231,694
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.....	
.....	

11. Indicate the item numbers reported herein: **ITEM # 9, LETTER B.**



PRESS RELEASE

SM Prime's 1Q2019 Net Income increased by 16% to PHP8.8 billion



Mr. Jeffrey C. Lim
President, SM Prime Holdings, Inc.

(06 May 2019, Pasay City, Philippines) [SM Prime Holdings, Inc.](#) (SM Prime), one of the leading integrated property companies in Southeast Asia, reported a consolidated net income growth of 16% to PHP8.8 billion in the first quarter of 2019 from PHP7.6 billion in the first quarter of 2018. For the same comparative period, the Company's consolidated revenue posted a 14% increase to PHP26.5 billion from PHP23.3 billion, while operating income increased by 17% to PHP13.0 billion from PHP11 billion. The consistent growth in rental income and higher residential sales drove the Company's performance in the first quarter of 2019, and this was complemented by the increasing contribution from SM Prime's other businesses.

"SM Prime continues to benefit from the overall growth of the Philippine economy that boosts the household income of most families. We are optimistic that we will sustain this performance this year as we continuously expand our core businesses in developing provincial cities across the country," said SM Prime President Jeffrey Lim.

Mall Contributions

SM Prime's mall business, which accounts for 56% of the consolidated revenue, reported an 8% revenue growth to PHP15.0 billion in the first three months of 2019 from PHP13.9 billion of the same period last year. New malls that were opened in 2017 and 2018 helped deliver the Company's PHP12.9 billion mall rental revenues, an 8% increase from last year's PHP11.9 billion. These malls include SM CDO Downtown Premier, S Maison, SM City Puerto Princesa, SM Center Tuguegarao Downtown, SM City Urdaneta Central, SM City Telabastagan, SM City Legazpi and SM Center Ormoc. SM Prime's malls first quarter operating income increased by 8% to PHP8.4 billion from PHP7.8 billion of the same period last year. Operating margin was steady at 56%. The malls business maintained its 7% same-mall-sales growth in the first quarter of the year.

Meanwhile, cinema and event ticket sales of the first three months of 2019 increased by 5% to PHP1.2 billion from PHP1.1 billion of the same period last year. This is attributed to international and local blockbuster movies shown during this period. Mall's other revenue streams, which

include amusement, bowling, ice-skating and merchandise sales, also improved by 8% to PHP881 million from PHP819 million.

SM Prime is scheduled to open four new malls this 2019 namely SM Center Dagupan in Pangasinan, SM City Olongapo Central in Zambales, SM City Butuan in the Caraga Region and SM Mindpro Citimall in Zamboanga.

Residential Contributions

SM Prime's residential group, led by SM Development Corporation (SMDC), recorded a 23% increase in revenue in the first quarter of 2019 to PHP9.2 billion from PHP7.5 billion in the same period last year. This accounts for 35% of the consolidated revenues of the company. The group's operating income improved by 41% to PHP3.35 billion from PHP2.38 billion.

Growth is due to higher construction accomplishments of projects launched in 2015 to 2017 and revenue recognition of recently launched projects such as Cheerful Residences, Green 2 Residences, Hope Residences, Charm Residences, Bloom Residences and the third phase of Trees Residences. The continued increase in sales take-up is due to strong demand fueled by international buyers, overseas Filipinos' remittances, and rising disposable income of the emerging middle class.

SM Prime's residential group's consolidated costs of real estate sales for the first quarter period likewise grew by 16% to PHP4.3 billion from PHP3.7 billion last year. Gross profit margin and net income margin improved to 52% and 26%, respectively.

SMDC's reservation sales increased by 20% in terms of sales value to PHP17.8 billion in the first quarter of 2019 from PHP14.8 billion in the same period of 2018. In terms of units, this translates to 19% growth to 4,585 units from 3,894 units last year.

SM Prime is scheduled to launch 15,000 to 20,000 residential units across the Company's high-rise-building, mid-rise-building and single-detached house and lot projects this year.

Other Businesses' Contributions

SM Prime's other businesses reported a consolidated revenue growth of 14% in the first quarter of the year to PHP2.3 billion from PHP2.0 billion in the same period last year. Revenues from Commercial Properties Group and Hotels and Convention Centers contribute 9% to the overall consolidated revenues of the Company. Operating income of these businesses increased by 26% in the first three months of the year to PHP1.2 billion from PHP0.9 billion of the same period last year.

SM Prime's Commercial Properties Group has 11 office buildings with a combined gross floor area (GFA) of 642,000 square meters (sqm). The Company is set to launch this year its first campus-office building NU Tower in the Mall of Asia Complex, Pasay City. The Hotels and Convention Centers unit has a portfolio of six hotels with over 1,500 rooms, four convention centers and three trade halls as of March 2019. The Company opened last April 2 the Park Inn by Radisson – Iloilo, and will open Park Inn by Radisson – North EDSA in the second half of the year.

SM Prime remains committed to being a catalyst for economic growth by delivering innovative and sustainable lifestyle cities, thereby enriching the quality of life for millions of people.

For further information, please contact:

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SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SM PRIME HOLDINGS, INC.

Registrant

Date: May 06, 2019



JOHN NAI PENG C. ONG
Corporate Information Officer
Chief Finance Officer