



April 17, 2013

The Philippine Stock Exchange, Inc.

3F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention of Ms. Janet A. Encarnacion

Head - Disclosure Department

Gentlemen:

This refers to the news article entitled “SM firms’ consolidation plan ‘50-50’” published in the April 16, 2013 issue of *The Manila Times*.net. The article reported in part that:

The consolidation of three big companies owned by the Henry Sy-led SM Group still has a “50-50 percent” chance to progress, a top official of SM Prime Holdings Inc. said on Tuesday.

After the SM Prime annual stockholders meeting held on Monday, the president of SM Prime, Hans Sy, told reporters that the consolidation plan for SM Group’s SM Prime, SM Development Corp., SM Land, among others, may still not push through because of the difficulty of the process.

“It is still a 50-50 [-percent chance]. I can’t give much indication yet because as I have said, it’s in the early stage, we are still studying,” he said.

“It’s a bit complicated,” the younger Sy added, saying that, “We have to be very, very careful with the valuations of all these properties together.”

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We confirm the veracity of the above-quoted news article.

Very truly yours,

A handwritten signature in black ink that reads "Teresa Cecilia H. Reyes".

TERESA CECILIA H. REYES

Vice President – Finance