



May 21, 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 to build P5-billion high-end mall in Cebu” published in the May 21, 2013 issue of *The Manila Times*. The article reported in part that:

Following the opening of its first high-end mall called SM Aura in Taguig, the country’s largest mall developer, SM Prime Holdings Inc., is now looking to develop another high-end mall, but this time in Cebu City.

Jeffrey Lim, SM Prime executive vice president and chief financial officer, said that SM Group is set to develop its next premium mall in Cebu City, which could also be considered as the “Mall of Asia in the South.”

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In terms of the project cost, Lim said that SM might invest as much as P5 billion because of the size of the mall. The year 2015 is the prospective year for the mall’s completion. All in all, the group has earmarked approximately P25 billion in investment for Cebu City alone.

“If you look at the total [investment], it should be P20 to 25 billion for the total project—malls, convention center and a hotel,” he said.

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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