



February 9, 2012

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 “Sy acquiring Ortigas group for \$1B” posted in the *INQUIRER.net* dated today. The article reported in part that:

Tycoon Henry Sy Sr. is finalizing a deal to acquire a majority stake in the privately held Ortigas property group in a transaction worth around \$1 billion, seen as a potential “game-changing” move that will expand the SM group’s landbank in the metropolis and give it control of the 16-hectare Greenhills shopping complex.

Inquirer sources confirmed that the SM group was close to a deal to buy into the Ortigas’ property holding unit OCLP Holdings after a crucial bloc, which included British banking giant HSBC and some family members, consented to the deal.

The sources said that HSBC, the single biggest stockholder of OCLP with a stake of 34 percent in the property unit, has already signed some documents approving the sale. On the other hand, there was likewise a critical mass of Ortigas family members who had agreed to the transaction, aiming to unlock more values from their vast landholding.

The target was to finalize all documentation by March, at the latest, one source said.

Shares of Sy-affiliated companies, particularly SM Investments Corp. and SM Prime Holdings, outperformed Wednesday due to the excitement on this prospective transaction with the Ortigas group.

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It is not yet known which SM unit or units will take part in the transaction but SM Prime is seen benefiting significantly given the Greenhills landbank.

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We confirm that SM Group is in the process of discussion for the acquisition of majority interest in Ortigas Holdings Inc. The amount and details of the transaction are still under discussion and subject to finalization.

Very truly yours,



TERESA CECILIA H. REYES
Vice President – Finance