

# COVER SHEET

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SEC Registration Number

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(Company's Full Name)

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Teresa Cecilia H. Reyes

(Contact Person)

831-1000

(Company Telephone Number)

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<i>(Calendar Period)</i>			

1	7	-	C	
<i>(Form Type)</i>				

<i>Month</i>	<i>Day</i>		
<i>(Annual Meeting)</i>			

*(Secondary License Type, If Applicable)*

*Dept. Requiring this Doc.*

*Amended Articles Number/Section*

*Total No. of Stockholders*

<i>Domestic</i>	<i>Foreign</i>

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*To be accomplished by SEC Personnel concerned*

<i>File Number</i>									

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*LCU*

<i>Document ID</i>									

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*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 5, 2014  
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      6. (SEC Use  Only)  
Province, country or other jurisdiction of incorporation      Industry Classification Code:
7. 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
<b>COMMON STOCK, P1 PAR VALUE</b>	<b>27,819,137,294</b>
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11. Indicate the item numbers reported herein: ITEM # 9, LETTER B.



## Press Release

### **SM Prime nets Php4.58 billion in Q1 2014**

(05 May 2014, Pasay City, Philippines) SM Prime Holdings, Inc. (SM Prime), one of the leading integrated property development companies in Southeast Asia, reported consolidated net income increase of 11% to Php4.58 billion for the first three months of 2014 from Php4.11 billion in the same period last year. Consolidated revenues, rose 3% to Php15.35 billion from Php14.95 billion, year-on-year.

Rental revenues accounted for 56% of the consolidated revenues, and grew by 12% to Php8.56 billion in 2014 from Php7.63 billion same period in 2013. The increase in rental revenue was primarily due to the new malls opened in 2012 and 2013, namely, SM City Olongapo, SM City Consolacion, SM City San Fernando, SM City General Santos, SM Lanang Premier, SM Aura Premier and SM City BF Parañaque, with a total gross floor area of 818,000 square meters. Excluding the new malls and expansions, same-store rental growth is at 7%.

Real estate sales recorded a 17% decrease to Php5.02 billion in 2014 from Php6.01 billion in 2013. The decrease is primarily due to sales take up attributable to only two project launches in 2012 of about 4,600 units from Breeze and Grace Residences compared to the nine project launches in 2010 and 2011 of about 26,700 units mainly from Jazz, Light, Wind, Shell and Green Residences. On the average, it takes about two years before revenues are recognized due to the percentage of completion accounting.

Cinema ticket sales significantly increased by 40% to Php1.06 billion in 2014 from Php0.76 billion in 2013. The increase was due to opening of digital cinemas at the new malls and the showing of local blockbuster movies with 100% sales growth year-on-year. The major blockbusters screened in 2014 were "Starting Over Again," "Bride for Rent," "Girl Boy Bakla Tomboy," "My Little Bossings," and "Captain America: The Winter Soldier."

Amusement and other revenues likewise increased by 30% to Php710 million in 2014 from Php546 million in 2013. The increase was mainly due to the opening of new amusement rides in the Sky Ranch in Tagaytay last March 2013 and reopening of ice skating rink in SM Megamall last January 2014.

Consolidated costs of real estate was Php2.93 billion in 2014, representing a decrease of 20% from Php3.65 billion in 2013. The decrease was primarily the result of lower recognized real estate costs in line with the lower real estate sales in 2014 compared to last year.

SM Prime's consolidated operating expenses increased by 11% to Php5.75 billion in 2014 compared to last year's P5.18 billion. Same-store mall growth in operating expenses is 7% and the balance is attributable to the opening of new malls and expansions.

Despite the decrease in real estate sales of 17%, gross profit margin for residential improved to 42% in 2014 compared to 39% in 2013. Consolidated marketing and selling expenses decreased by 16% to Php642 million in 2014 from Php761 million in 2013 as part of the SM Prime's overall rationalization of its cost structure.

"We are off to a good start this year maintaining a steady growth for the first quarter of 2014. As we move towards our 5-year roadmap, we are very optimistic that SM Prime will achieve its targets." said SM Prime President Mr Hans T. Sy.

SM Prime is an integrated property development company that acts as a catalyst for economic growth, committed to deliver innovative and sustainable lifestyle cities, thereby enriching the quality of life of millions of people.

-End-

For further information, please contact:  
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Tel. no.: 831.1000 loc. 7820


## 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 5, 2014

  
**TERESA CECILIA H. REYES**  
Vice President – Finance