



June 9, 2006

**The Philippine Stock Exchange, Inc.**  
Phil. Stock Exchange Center, Exchange Road  
Ortigas Center, Pasig City, Metro Manila

**Attention of Ms Jurisita M. Quintos**  
Senior Vice President

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Gentlemen:

This refers to the article which appeared in The Philippine Star today, June 9, 2006 as follows:

1. "SM Prime expects to exceed its net income target of P5.4 billion."

We would like to reiterate that SM Prime's net income growth projection for 2006 is still between 8% - 10% or P5.4 – P5.5 billion. However, we remain optimistic on our growth targets given the initial success of Mall of Asia.

2. "Company has already reported a 10% growth in its 2006 second quarter income."

We have not yet released our second quarter 2006 results for the period ended June 30, 2006.

Thank you and we trust that you find everything in order.

Very truly yours,

(original signed)  
**JEFFREY C. LIM**  
Corporate Information Officer