

AS094-000088

SEC Registration Number

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES

(Company's Full Name)

10th Floor 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 1300

Mr. Jeffrey C. Lim (Contact Person)

831-1000 (Company Telephone Number)

02 19 (Month Day) (Calendar Period)

17-C (Form Type)

Month Day (Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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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. February 19, 2018
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
Only) Province, country or other jurisdiction of incorporation

6. (SEC Use

Industry Classification Code:

7. 10th Floor 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
COMMON STOCK, P1 PAR VALUE	28,879,231,694

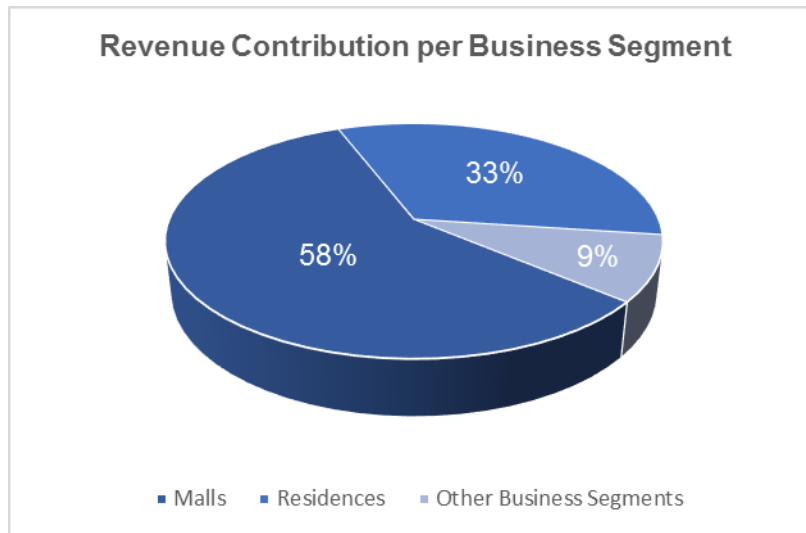
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11. Indicate the item numbers reported herein: ITEM # 9, LETTER B.



PRESS RELEASE

New Malls and Residential Units Sales increase SM Prime's Net Income to 16% in 2017



(19 February 2018. Pasay City, Philippines) [SM Prime Holdings, Inc.](#) (SM Prime), the Philippines' leading integrated property company, registered a recurring net income growth of 16% in 2017 to PHP27.6 billion from PHP23.8 billion of prior year. Consolidated revenues grew 14% to PHP90.9 billion in 2017 from PHP79.8 billion in 2016. Overall operating income improved by 15% to PHP40.6 billion in 2017 from PHP35.3 billion the previous year. The growth was driven by increase in rental revenue from malls opened and expanded in 2016 and 2017 supported by strong sales take-up of the housing units.

“SM Prime continues to benefit from the sustained overall economic progress of the Philippines that resulted to higher spending power for most Filipino families. This translated to consistent growth of our key businesses that include higher rental revenues of our malls, increased residential units sales and growing contribution of our other business segments.” SM Prime President Jeffrey Lim said.

Mall Operations

SM Prime's mall revenues grew by 9% to PHP53.2 billion in 2017 from PHP48.6 billion in 2016. Rent income improved by 11% to PHP45.3 billion from PHP41.0 billion in the same period under review. The increase in revenue was due to rising contribution of rentals from new and expanded malls that were launched in 2016 and 2017 namely SM City San Jose Del Monte, SM City Trece Martires, SM City East Ortigas, SM CDO Downtown Premier, S-Maison at Conrad Manila, SM City Puerto Princesa, and SM Center Tuguegarao Downtown. Meanwhile, same-mall-sales growth was consistent at 7% across all mature malls. Cinema and event ticket sales improved by 2% to PHP4.8 billion in 2017 from PHP4.7 billion in 2016. Revenues from amusement and merchandise sales also rose by 8% to PHP3.1 billion in 2017 from PHP2.9 billion in 2016. The revenue growth came from additional outlets opened in new malls. Mall operating income improved by 10% to PHP28.4 billion in 2017 from PHP25.8 billion in 2016, while operating margin was steady at 53%.

SM Prime has 67 malls in the Philippines offering 8.0 million square meters (sqm) of gross floor area (GFA) and seven malls in China with 1.3 million sqm of GFA at 2017 year-end.

Residential Developments

SM Prime's residential group, led by SM Development Corporation (SMDC), posted a revenue growth of 18% to PHP30.0 billion in 2017 from PHP25.4 billion in 2016. Operating income improved by 24% to PHP8.9 billion from PHP7.1 billion. The growth is due to higher construction accomplishments of projects launched in 2013 up to 2016 namely Shore Residences and Shore 2 Residences in Pasay City, Air Residences in Makati City, and Fame Residences in Mandaluyong City as well as continued increase in sales take-up of Ready-for-Occupancy (RFO) units. Consolidated costs of real estate increased by 16% to PHP15.2 billion in 2017 from PHP13.1 billion in 2016. This led to improved gross profit margin of 49% from 48%, and net income margin of 24% from 23%, respectively.

SMDC's reservation sales grew by 21% in terms of sales value to PHP57.8 billion in 2017 from PHP47.7 billion in 2016. In terms of unit sales, it was up by 4% to 17,259 from 16,670. The strong sales take-up came from projects that are within the Mall of Asia Complex in Pasay City such as Shore 2 Residences and Shore 3 Residences, as well as the Fame Residences in Mandaluyong City.

Other Business Segments

The rest of SM Prime's businesses registered a revenue growth of 32% to PHP7.9 billion in 2017 from PHP6.0 billion of the previous year. Operating income increased by 35% to PHP3.6 billion from PHP2.7 billion, while operating income margin improved by 46% from 45% in the same period being reviewed. The Commercial Properties and the Hotels and Convention Centers business segments contributed to a revenue growth of 12% and 49%, respectively, in 2017. This is attributed to the opening of FiveE-Com Center and Conrad Manila.

To date, SM Prime has seven office buildings with a combined GFA of 456,000 sqm. ThreeE-Com and FourE-Com Centers in the Mall of Asia Complex, Pasay City, which are set to be completed this 2018 and in 2020, will add a combined GFA of almost 320,000 sqm in the Company's office portfolio. The Hotels and Convention Centers currently has six hotels with over 1,500 rooms, four convention centers and three trade halls.

SM Prime remains committed to its role as a catalyst for economic growth, delivering innovative and sustainable lifestyle cities, thereby enriching the quality of life of millions of people.

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For further information, please contact:

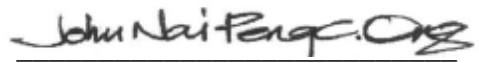
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SIGNATURES

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: February 19, 2018

A handwritten signature in black ink, reading "John Nai Peng C. Ong", written over a horizontal line.

JOHN NAI PENG C. ONG
Corporate Information Officer