



April 20, 2011

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 expects larger public offering for Chinese malls” posted in the *BusinessMirror (Online Edition)* dated today. The article reported in part that:

THE China strategy of SM Prime Holdings Inc. (SM Prime), the country’s largest mall developer and operator, could involve an upsized \$500-million public offering by 2013, company officials said following its stockholders’ meeting on Tuesday.

SM Prime’s China operations, now at 5 percent of revenues, is likely to grow beyond 7 percent to 10 percent after 2013, Jeffery Lim, company chief financial officer, said.

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Lim reiterated that the company plans to take its China malls public either through a traditional initial public offering in China, Hong Kong or Singapore or through a real- estate investment trust offering in Hong Kong or Singapore.

Lim said the company is eyeing proceeds of about \$500 million by 2013, though this would depend on the valuation of its assets that time. The firm was previously expecting to raise \$300 million through the public listing of its China operations.

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We confirm the veracity of the above-quoted news article.

Very truly yours,


TERESA CECILIA H. REYES
Vice President – Finance