

A S 0 9 4 - 0 0 0 0 8 8

SEC Registration Number

S M P R I M E H O L D I N G S , I N C . A N D S U B S I
D I A R I E S

(Company's Full Name)

1 0 t h F l o o r M a l l o f A s i a A r e n a A n n
e x B u i l d i n g , C o r a l W a y c o r . J . W .
D i o k n o B l v d . , M a l l o f A s i a C o m p l e
x , B r g y . 7 6 Z o n e 1 0 , C B P - 1 A , P a s a
y C i t y 1 3 0 0

Mr. Jeffrey C. Lim

(Contact Person)

831-1000

(Company Telephone Number)

0 8 0 1

Month Day
(Calendar Period)

1 7 - C

(Form Type)

Month Day

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

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. August 01, 2016
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 Industry Classification Code:
incorporation
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

SM Prime Core Net Income Rises 12% in 1H2016

(01 August 2016. Pasay City, Philippines) SM Prime Holdings, Inc. (SM Prime), the Philippines' leading integrated property company, registered a 12% growth in its core net income to PHP12.6 billion from PHP11.2 billion. This was supported by a 9% increase in consolidated revenues to PHP39.2 billion from PHP35.9 billion in the first half of 2016.

“SM Prime’s integrated development program in the Philippines that is geared more towards provincial expansion sustained its financial performance in the first half of the year. SM Prime is well-positioned for higher growth given that the Philippines’ economic upturn is starting to spread in the provinces,” SM Prime President Hans T. Sy, said.

In the first half of 2016, mall revenues achieved a 9% increase to PHP23.6 billion from PHP21.7 billion of the previous year. It contributed 60% to SM Prime’s consolidated revenues, of which, 85% is accounted for rentals. Mall revenues were driven by the 7% growth in same-malls-sales and contribution from the new retail space that were added in the past two years. Operating income of the malls increased by 9% to PHP13.2 billion, maintaining its last year’s operating income margin of 56%. Moreover, cinema and event ticket sales, accounted for 10% of malls’ consolidated revenues, reached PHP2.4 billion in the first half of the year, almost same level from last year.

The mall operations in China, which accounted for 9% of mall revenues, generated PHP2.1 billion, up by 8% from PHP1.9 billion in the first half of 2016. Operating income, likewise, improved by 11% to PHP1.1bn. The China malls posted an operating income margin of 51% from 50% of the same period last year.

Currently, SM Prime has a total of 58 malls in the Philippines and six in China with a total gross floor area (GFA) of 8.5 million sqm. The company is scheduled to open two more malls this year namely Cherry SM Congressional in Quezon City and SM City East Ortigas in Pasig City. SM Prime is also expanding SM Center Molino in Cavite and SM City San Pablo in Laguna this year.

SM Prime’s residential group, which accounted for 34% of consolidated revenues, posted a 6% increase to PHP13.2 billion from PHP12.5 billion of the same period last year. Operating income grew by 5% to PHP3.9 billion from PHP3.7 billion. The increase is primarily driven by the higher construction accomplishments of SM Development Corporation (SMDC) projects launched from 2013 to 2015 such as Princeton Residences, M Place Residences, Mezza II Residences and Jazz Residences in the cities of Quezon and Makati. Meanwhile, consolidated costs of real estate increased by only 4% to PHP7.0 billion as the group was able to contained construction costs. This resulted to further improvement of gross profit margin to 47% from 46%, while net income margin is maintained at 24% from the same period last year.

Reservation sales bounced back in the second quarter posting PHP14.5b billion from PHP8.1 billion in the previous quarter. This allowed SMDC to post a 20% growth in sales value in the first six months of 2016 to PHP22.6 billion from PHP18.8 billion. The housing group reported an

18% increase to 8,091 unit sales from 6,868 units of the same period last year. These were largely generated from recently launched Shore 2 Residences, Coast Residences and S Residences, all in Pasay City. For the rest of the year, SM Prime plans to launch additional 6,000 to 8,000 units in the cities of Quezon, Pasay and Tagaytay, and economic housing in the provinces of Bulacan, Cavite and Cabanatuan.

The Commercial Properties Group, which contributed 3% of SM Prime's consolidated revenues, recorded a 51% increase of PHP1.1 billion. Operating income doubled to PHP762.8 million, translating a 68% operating income margin in the period being reviewed. The significant growth is boosted by the opening of SM Cyber West in Quezon City and Five E-Com Center in Pasay City, with a combined GFA of 171,000 sqm. These office buildings have an occupancy rate of 100% and 99% respectively.

SM Prime's Commercial Properties Group presently has six office buildings mostly at the Mall of Asia Complex in Pasay City with an estimated GFA of 371,000 sqm. Three E-Com and Four E-Com Centers, on the other hand, are under construction and scheduled for completion in 2017 and 2018, respectively.

The Hotels and Convention Centers business opened the 154-room Park Inn Clark in Pampanga last December. SM Prime also launched the 347-room Conrad Manila last June, situated atop of S' Maison – a two-level high-end retail podium in Pasay City.

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: August 01, 2016


TERESA CECILIA H. REYES
Vice President - Finance