

COVER SHEET

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SEC Registration Number

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(Company's Full Name)

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Mr. Jeffrey C. Lim
(Contact Person)

831-1000
(Company Telephone Number)

0 2 2 4
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

Total Amount of Borrowings

_____	_____
Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

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. **February 24, 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 Industry Classification Code:
incorporation

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. _____
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	27,819,130,544
.....	
.....	
.....	

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



Press Release

SM Prime nets Php16.27 billion in 2013

(24 February 2014. Pasay City, Philippines.) SM Prime Holdings, Inc. (SM Prime), one of the leading property developers in Southeast Asia, reported combined net earnings of Php16.27 billion in 2013.

Consolidated revenues rose 5% to Php59.79 billion from Php57.22 billion a year ago. Rental revenues accounted for 54% of the total, and grew by 11% to Php32.20 billion from Php28.95 billion in 2012.

The increase was primarily due to the full-year effect of new malls opened in 2012, namely SM City Olongapo, SM City Consolacion, SM City San Fernando, SM City General Santos, SM Lanang Premier, and the opening in 2013 of SM Aura Premier. Excluding the new malls and expansions, rental revenues grew 7%. SM Prime's shopping malls in China also sustained their profit growth, with net income amounting to Php958 million.

Cinema ticket sales increased by 8% to Php3.74 billion from Php3.48 billion in 2012, as SM Prime opened additional digital cinemas at the new malls. This allowed simultaneous nationwide releases and more blockbuster movies screened, both local and international.

Amusement and other revenues likewise increased by 40% to Php3.08 billion from Php2.21 billion in 2012. The increase was mainly due to opening of new amusement rides in SM by the Bay and the SkyRanch in Tagaytay, as well as the increase in advertising income and sponsorship revenues.

The full-year recognition of revenues from Two-Ecom, which began operations in mid-2012 and is now 98%-occupied, also helped push up rental revenues from commercial operations by 14% to Php2.93 billion.

Real estate sales for 2013 stood at Php20.78 billion. Three projects were launched in 2013, namely: Grass Phase 2, Shore and Trees. These projects are expected to contribute significantly to revenues starting in 2014. Gross margins improved to 42% versus 37% in 2012.

"Our consolidated financial results in 2013 were within our expectations. We expect the Philippine economy to sustain its growth momentum in 2014 and create more demand for our property offerings. We will continue to pursue our expansion plans and look for new

growth opportunities. We sincerely thank our stakeholders for believing in our vision of becoming a world-class Filipino brand,” said SM Prime President Mr. Hans T. Sy.

Consolidated operating expenses increased by 12% to Php23.72 billion in 2013 while consolidated costs of real estate was at Php11.94 billion, a 15% decrease from Php14.02 billion in 2012.

In May 2013, SM initiated a corporate restructuring exercise to consolidate the SM Group’s property companies and real estate assets under SM Prime. The reorganization paved the way for the delisting of shares of SM Development Corp. and Highlands Prime Inc., the merger of SM Land and SM Prime with the latter as the surviving entity, and the injection of the SM group’s real estate assets and shares in property companies into the mall developer.

On October 10, 2013, the Philippine Securities and Exchange Commission (SEC) approved the reorganization.

SM Prime’s consolidated net income in 2013 would have increased by 8% to Php17.55 billion were it not for the one-time restructuring cost of Php1.28 billion. This was the first time the holding firm reported the consolidated financial performance of its mall, residential, office and tourism development businesses.

– End –

For further inquiries:

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SM PRIME HOLDINGS, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED BALANCE SHEETS

(Amounts in Thousands)

	December 31, 2013	December 31, 2012 (As restated)	January 1, 2012 (As restated)
ASSETS			
Current Assets			
Cash and cash equivalents	P27,141,506	P21,299,366	P17,345,309
Short-term investments	887,900	821,000	876,800
Investments held for trading	1,151,464	1,338,777	1,196,956
Receivables	27,184,434	17,145,695	11,622,830
Condominium and residential units for sale	6,102,653	2,969,757	945,363
Land and development - current portion	13,281,246	11,673,553	5,780,360
Available-for-sale investments	-	1,000,000	1,000,000
Prepaid expenses and other current assets	9,936,120	12,014,185	11,394,881
Total Current Assets	85,685,323	68,262,333	50,162,499
Noncurrent Assets			
Available-for-sale investments - net of current portion	23,369,074	23,303,128	16,052,509
Property and equipment - net	1,578,893	1,597,066	1,180,653
Investment properties - net	171,306,475	147,503,667	129,782,064
Land and development - net of current portion	21,539,938	20,606,270	17,862,368
Derivative assets	1,778,810	109,979	115,619
Deferred tax assets - net	1,159,982	486,314	395,548
Other noncurrent assets	29,634,644	22,783,359	13,311,830
Total Noncurrent Assets	250,367,816	216,389,783	178,700,591
	P336,053,139	P284,652,116	P228,863,090
LIABILITIES AND EQUITY			
Current Liabilities			
Loans payable	P3,250,000	P8,973,500	P2,387,000
Accounts payable and other current liabilities	45,298,216	34,399,069	28,528,058
Current portion of long-term debt	7,387,260	3,856,767	1,162,420
Income tax payable	946,593	662,805	627,064
Total Current Liabilities	56,882,069	47,892,141	32,704,542
Noncurrent Liabilities			
Long-term debt - net of current portion	95,675,730	67,749,383	52,382,248
Tenants' deposits	10,248,792	8,968,623	7,984,377
Liability for purchased land - net of current portion	1,117,809	4,202,128	1,682,368
Deferred tax liabilities - net	2,491,996	2,014,230	1,770,620
Derivative liabilities	159,974	244,330	237,980
Other noncurrent liabilities	3,281,180	3,119,296	3,039,795
Total Noncurrent Liabilities	112,975,481	86,297,990	67,097,388
Total Liabilities (Carried Forward)	169,857,550	134,190,131	99,801,930

	December 31, 2013	December 31, 2012 (As restated)	January 1, 2012 (As restated)
Total Liabilities (Brought Forward)	₱169,857,550	₱134,190,131	₱99,801,930
Equity Attributable to Equity Holders of the Parent			
Capital stock	33,166,300	33,166,300	33,166,300
Additional paid-in capital - net	22,114,780	24,269,749	17,089,244
Cumulative translation adjustment	1,810,417	607,237	897,925
Net unrealized gain on available-for-sale investments	19,958,330	18,773,521	12,401,964
Remeasurement loss on defined benefit obligation	(23,277)	(59,200)	(26,735)
Retained earnings:			
Appropriated	48,200,000	42,200,000	23,200,000
Unappropriated	42,788,188	33,747,830	44,778,570
Treasury stock	(3,980,366)	(5,077,756)	(5,077,756)
Deposits for future stocks subscription	-	-	228,000
Total Equity Attributable to Equity Holders of the Parent	164,034,372	147,627,681	126,657,512
Non-controlling Interests	2,161,217	2,834,304	2,403,648
Total Equity	166,195,589	150,461,985	129,061,160
	₱336,053,139	₱284,652,116	₱228,863,090

SM PRIME HOLDINGS, INC. AND SUBSIDIARIES**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME**

(Amounts in Thousands)

	Years Ended December 31		
	2013	2012 (As restated)	2011 (As restated)
REVENUE			
Rent	₱32,195,285	₱28,951,727	₱25,208,474
Sales:			
Real estate	20,775,195	22,575,692	17,359,748
Cinema ticket	3,740,030	3,477,262	3,051,717
Others	3,083,900	2,210,413	4,449,304
	59,794,410	57,215,094	50,069,243
COSTS AND EXPENSES	35,658,865	35,145,277	30,771,982
INCOME FROM OPERATIONS	24,135,545	22,069,817	19,297,261
OTHER INCOME (CHARGES)			
Interest expense	(3,686,603)	(3,064,825)	(2,933,337)
Interest and dividend income	1,093,870	1,062,028	1,180,382
Restructuring costs	(1,276,629)	—	—
Others - net	443,908	366,874	(501,464)
	(3,425,454)	(1,635,923)	(2,254,419)
INCOME BEFORE INCOME TAX	20,710,091	20,433,894	17,042,842
PROVISION FOR (BENEFIT FROM) INCOME TAX			
Current	4,392,114	3,687,530	3,111,294
Deferred	(407,951)	102,931	(70,585)
	3,984,163	3,790,461	3,040,709
NET INCOME	₱16,725,928	₱16,643,433	₱14,002,133
Attributable to			
Equity holders of the Parent	₱16,274,820	₱16,202,776	₱13,628,870
Non-controlling interests	451,108	440,657	373,263
	₱16,725,928	₱16,643,433	₱14,002,133

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 24, 2014



JEFFREY C. LIM
Executive Vice President