

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 2 2 0

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

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 20, 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
<b>COMMON STOCK, P1 PAR VALUE</b>	<b>28,879,231,694</b>
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.....	
.....	

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



## PRESS RELEASE

### SM Prime's Net Income Rose 14% in 2016

(20 February 2017. Pasay City, Philippines) SM Prime Holdings, Inc. (SM Prime), the Philippines' leading integrated property company, registered a recurring net income growth of 14% in 2016 to PHP23.8 billion from PHP20.9 billion last year. Consolidated revenues grew 12% to PHP79.8 billion in 2016 from PHP71.5 billion in 2015. Overall operating income improved by 12% to PHP35.3 billion in 2016 from PHP31.4 billion the prior year. Growth was mostly driven by the continued expansion of its malls as well as the strong sales take-up of housing units.

“SM Prime sustained its overall performance in 2016 on the account of focusing more on recurring income stream complemented by the solid performance of the housing group. SM Prime is well-positioned to capture the positive impact of the higher infrastructure spending intended by the government that will also spur overall economic growth of the country,” SM Prime President Jeffrey Lim said.

SM Prime's mall revenues grew by 9% to PHP48.6 billion from the previous year's PHP44.5 billion. Rentals improved by 10% to PHP41.0 billion from PHP37.2 billion in the same period under review. The revenue growth was driven by additional retail spaces of 1.5 million square meters (sqm) of gross floor area (GFA) added in the past two years. Meanwhile, same-mall-sales growth was consistent at 7%. Cinema and event ticket sales was slightly down by 3% to PHP4.7 billion in 2016 from PHP4.8 billion in the same period. The decline was due to fewer local blockbuster movies shown in 2016 compared with 2015. Revenues from amusement and merchandise sales rose by 16% to PHP3.0 billion from PHP2.6 billion. The revenue growth mostly came from higher merchandise sales and new amusement centers in the company's newer malls. Mall operating income likewise improved by 9% to PHP25.8 billion in 2016 from PHP23.7 billion in 2015, while operating margins stood at 53%.

To date, SM Prime has 60 shopping malls in the Philippines (7.7 million sqm GFA) and seven in China (1.3 million sqm GFA). For 2017, SM Prime will open at least four new malls in the Philippines with an estimated combined 300,000 sqm of additional shopping space.

SM Prime's residential group, led by SM Development Corporation (SMDC), contributed 32% to consolidated revenues and grew by 13% to PHP25.4 billion from PHP22.5 billion in the same period under review. Operating income, also improved by 17% to PHP7.1 billion from PHP6.1 billion. The growth was largely due to higher sales take-up on ready for occupancy (RFO) units from projects such as Princeton, M Place, Mezza II and Jazz Residences in Quezon City and Makati. RFO inventory went down by 34% to 2,374 units in 2016 from 3,617 units in 2015. Consolidated costs of real estate increased by 9% to PHP13.1 billion from PHP12.0 billion of last year. This led to improved gross profit margin of 48% from 46% for the residential group; while the net income margin improved to 23% from 22%.

SMDC's reservation sales grew by 18% in terms of sales value to PHP46.7 billion in 2016 from PHP39.4 billion last year. This translates to a 15% improvement on unit sales to 16,320 units from 14,227 units. The strong sales take-up was generated from projects that are within and near the Mall of Asia Complex in Pas City, namely S Residences, Shore 2 Residences and

Coast Residences. For 2017, SM Prime is scheduled to launch 15,000 to 18,000 residential units that includes high rise, mid-rise and horizontal house and lot developments.

SM Prime's Commercial Properties Group, contributed 3% to consolidated revenues, recorded a 32% increase to PHP2.7 billion from PHP2.1 billion year-on-year. This brought operating income growth to 57% to PHP2.1 billion from PHP1.3 billion the previous year, which in turn enhanced the operating income margin to 77% from 65%. The growth came from the new rental revenues from FiveE-comCenter, which is almost 100% occupied. The Commercial Properties Group has six office buildings, mostly in the Mall of Asia Complex in Pasay City, with an estimated GFA of 371,000 sqm. The ThreeE-ComCenter and FourE-ComCenter are currently under construction and are scheduled for completion in 2018 and 2020, respectively.

SM Prime's Hotels and Convention Centers revenues posted a 32% growth to PHP3.2 billion from PHP2.4 billion in 2016. Operating income expanded 8% to PHP549.5 million from PHP507.7 million. Overall revenue growth is attributed to improvement in occupancy rates and the opening of Park Inn Clark in December 2015 and Conrad Manila in June 2016.

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:**

**Alexander Pomento**

Vice President, Investor Relations

SM Prime Holdings, Inc.

E-mail: [alex.pomento@smprime.com](mailto:alex.pomento@smprime.com)

Tel. no.: +632 862 7940


## 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 20, 2016

  
**TERESA CECILIA H. REYES**  
Vice President - Finance