



Investor Presentation

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Financial Highlights

MALLS

RESIDENTIAL

COMMERCIAL

**HOTELS &
CONVENTION CENTERS**

Consolidated Financials

MALLS

RESIDENTIAL

COMMERCIAL

HOTELS &
CONVENTION CENTERS

(In Php billion)	9M 2014	9M 2013	% Chg	FY 2013
Revenues	47.8	44.0	8.6%	59.8
EBITDA	24.9	21.1	18.0%	29.67
Operating Income	20.1	17.7	13.6%	24.1

- ❑ SM Prime recorded consolidated revenues of Php47.8bn in 9M14, up 9% YoY while total cost and expenses increased by only 5% to PhpP27.7bn allowing EBIT to post an almost 14% growth to P20.1bn
- ❑ Overall net income grew by almost 12% to Php13.5bn, sustaining growth posted in 1H14

Consolidated Financials

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(In Php billion)	9M 2014	9M 2013	% Chg	FY 2013
Revenues	28.3	24.8	14.1%	34.5
EBITDA	18.6	16.6	12.0%	23.0
Operating Income	15.3	13.5	13.3%	18.3

- ❑ SM Prime malls (60% of total turnover) posted revenues of Php28.3bn in 9M 2014, up 14.1% YoY
- ❑ Cinema ticket sales added Php3.3bn on the top-line of mall operation, +21% YoY
- ❑ SMPH will end 2014 with more than 7.5m sqm of shopping space

Consolidated Financials

MALLS: PHIL

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(In Php billion)	9M 2014	9M 2013	% Chg	FY 2013
Revenues	25.6	22.6	13.3%	31.3
EBITDA	16.5	15.3	7.8%	21.4
Operating Income	14.1	12.7	11.0%	17.3

- ❑ Philippine Malls revenue (90% of total malls) grew by 13.3% to Php25.6bn in 9 months, mostly driven by the 7% growth in same-store-sales and additional shopping space of 527k sqm in the past 2 years
- ❑ Net income growth should catch up as new malls contribution accelerate while depreciation expense stabilize
- ❑ Occupancy remains high at 97%

Consolidated Financials

MALLS: CHINA

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COMMERCIAL

HOTELS &
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(In Php million)	9M 2014	9M 2013	% Chg	FY 2013
Revenues	2,572	2,171	18.5%	3121
EBITDA	2,022	1,293	56.4%	1676.0
Operating Income	1,202	842	42.8%	1017

- ❑ China Malls revenue (10% of total malls) grew by 18.5% to Php2.6mn due to contribution from new malls while tenants on existing malls shift to percentage of sales rental revenues
- ❑ EBITDA margin expanded to 75.6% attributed to cost efficiencies and higher revenues
- ❑ Occupancy level above 90% for the 5 operating malls

Consolidated Financials

MALLS

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(In Php billion)	9M 2014	9M 2013	% Change	FY 2013
Revenues	15.2	15.4	-1.3%	19.8
EBITDA	4.3	4.2	2.4%	5.8
Operating Income	3.8	3.5	8.6%	8.4

- ❑ Residential revenue (32% of consolidated revenue) continue to show improvements, following the 9% year-on-year growth posted in the previous quarter and 17% decline in the first quarter
- ❑ Expecting the housing unit group to sustain its growth going to next year as more projects are expected to be completed while new housing projects are line-up for launching over the next 12 months
- ❑ Gross margin improved to 43% from 40% while net income margin stable at 21%

Consolidated Financials

MALLS

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(In Php billion)	9M 2014	9M 2013	% Chg	FY 2013
Revenues	2.1	2.3	-8.7%	3.3
EBITDA	1.2	1.3	-7.7%	2.9
Operating Income	0.8	0.8	0.0%	1.0

- Commercial Property Group has recently ground break ThreeE-com and already topped off the FiveE-com
- By end 2014, the commercial business unit will have five office buildings with an estimated gross leasable area of 203k sqm
- Aiming to reach almost 500k sqm of office space by 2018

Consolidated Financials

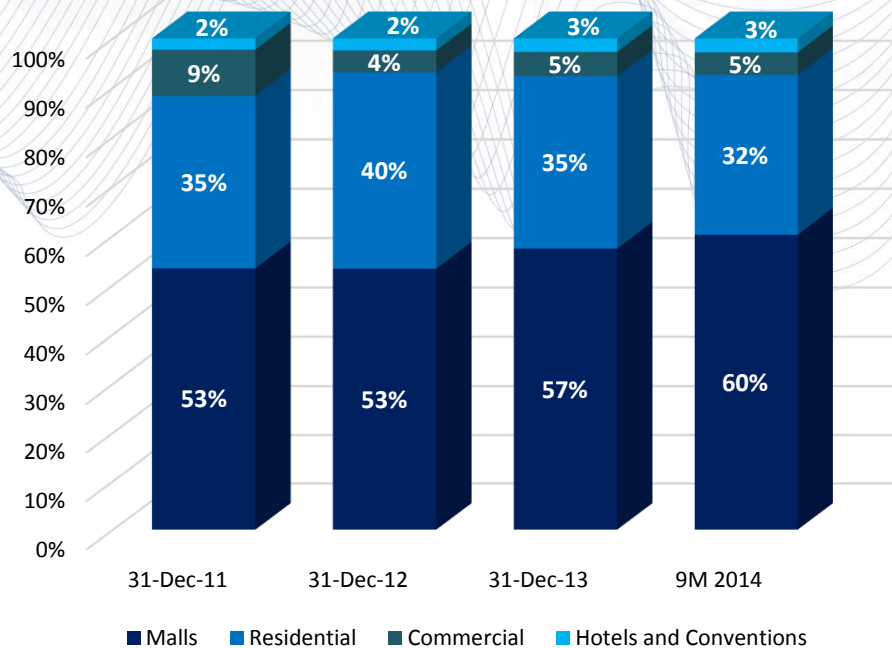
MALLS

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Segment Contribution



- Revenue from Malls comprise 60% of SMPH's revenue, while residential revenue is 32%
- Rent from commercial office spaces make up 5% while Hotels and Convention centers take up the rest

Consolidated Balance Sheet

In Php Million (except % data)	As of September		As of December	
	2014	% to Assets	2013	% to Assets
ASSETS				
Cash and cash equivalents	35,361	9%	28,029	8%
Available-for-sale investments	29,718	8%	23,369	7%
Receivables	30,616	8%	27,184	8%
Investment properties	194,332	50%	171,666	51%
Land and development	49,073	13%	34,821	11%
Condominium and residential units for sale	5,689	1%	6,103	2%
Other assets	40,355	11%	44,411	13%
Total Assets	385,145	100%	335,584	100%
LIABILITIES AND STOCKHOLDERS' EQUITY				
Interest bearing debt	131,642	34%	106,313	32%
Accounts payable and other liabilities	73,283	19%	63,049	18%
Total Liabilities	204,925	53%	169,362	50%
Equity Attributable to Parent	177,218	46%	163,267	49%

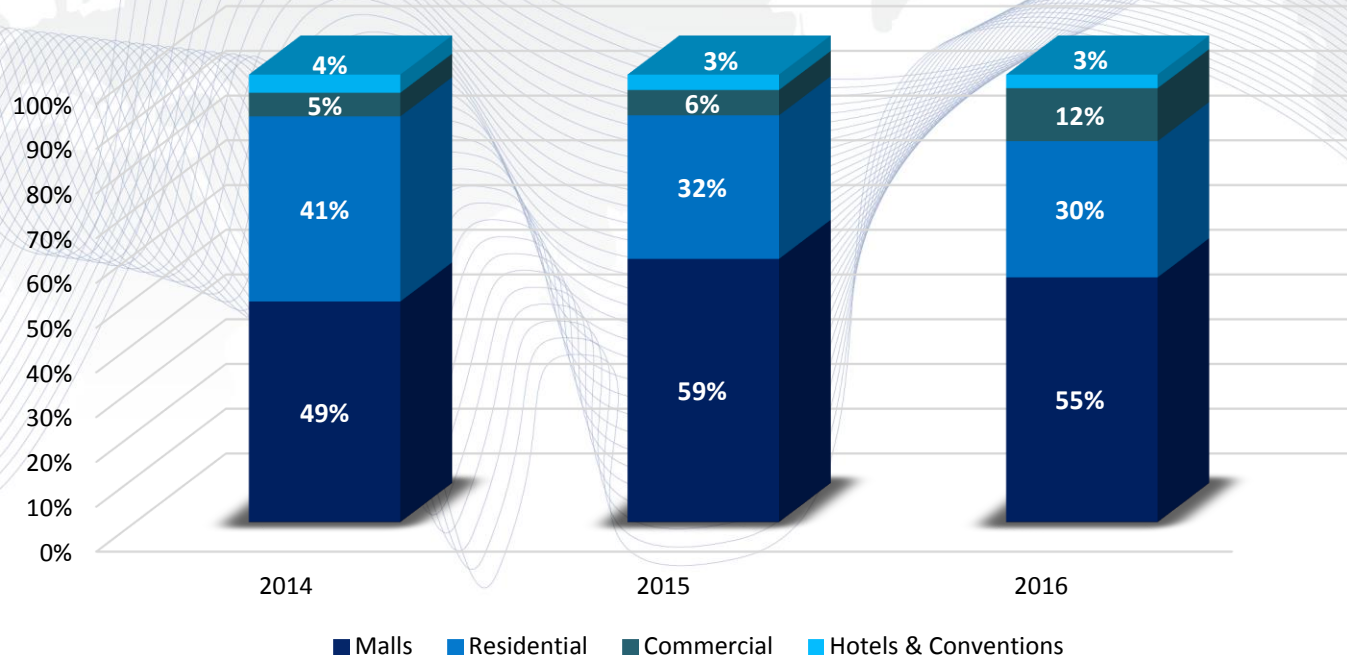
- ❑ Cash rose by 30% to Php35bn in end September 2014 on account of the bond issuance worth P20bn and the US\$210m club loan
- ❑ Receivables accounts for 8% of total assets almost the same level in end-2013

5-Year Roadmap to 2018



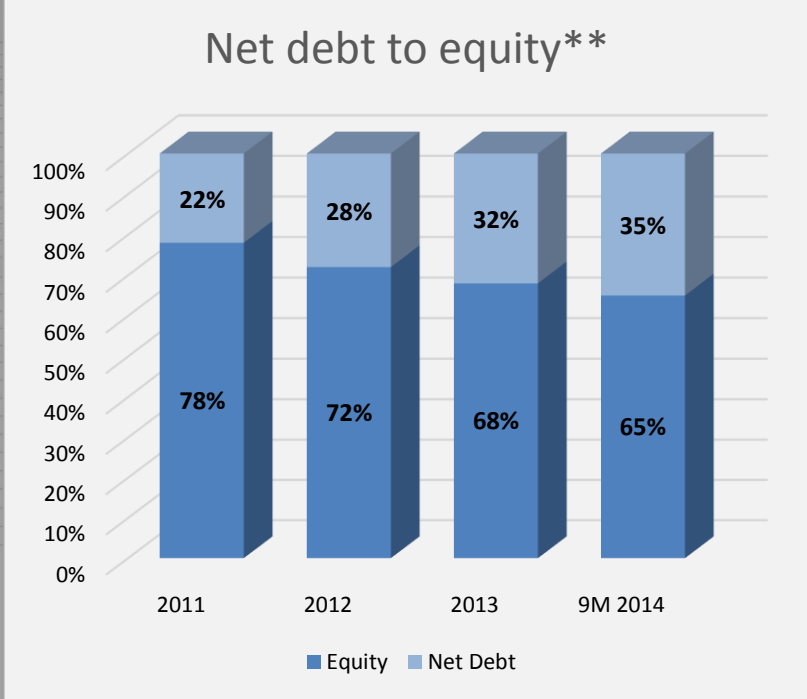
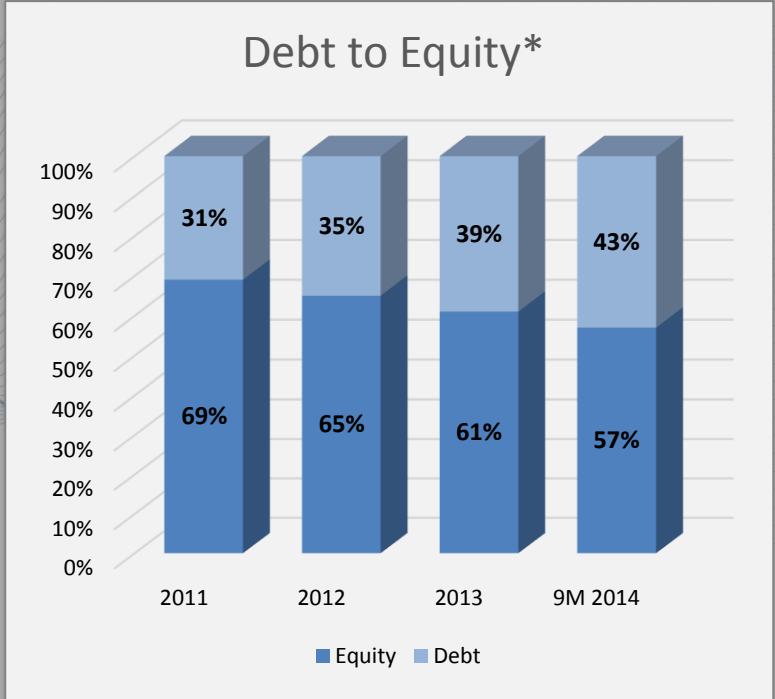
- ❑ We intend to double our income by 2018 based on our 5 year roadmap
- ❑ The growth will be driven by malls and residential units

Capex Program



- We will spend almost Php200bn over 3 years to jumpstart our expansion program to achieve our goal to double the income by 2018
- We will maintain a very conservative gearing ratio despite the massive Capex program

Maintain conservative Balance Sheet



*Total interest-bearing liabilities

Total equity attributable to equity holders of the parent +
Total interest-bearing liabilities

**Total interest-bearing liabilities- cash & cash equivalents
and investment securities

Total equity attributable to equity holders of the parent +
Total interest-bearing liabilities- cash & cash equivalents
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Investment Highlights



- ❑ Establish strong brand equity
- ❑ Leading integrated real estate platform with strong track record across full suite of asset classes
- ❑ World-class retail malls business, which will anchor future lifestyle city projects
- ❑ Significant growth opportunities from landbank optimization and future acquisitions
- ❑ Strong balance sheet supported by strong recurring income
- ❑ Highly experienced management team and strong corporate governance



Thank you.