



January 18, 2013

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 your letter dated January 17, 2013 requesting for additional information regarding the Company's joint venture with Walter Mart Mall Group of Companies (Walter Mart). Walter Mart is in the shopping mall business. Walter Mart currently operates seventeen (17) shopping centers across Metro Manila and Northern Luzon which is related to the business of SM Prime Holdings, Inc. (SM Prime). The joint venture will be beneficial to both Walter Mart and SM Prime.

The final terms and conditions of the joint venture are subject to due diligence and discussion.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jeffrey C. Lim', written over a faint circular stamp.

JEFFREY C. LIM
Executive Vice-President