



**INVESTMENTS  
CORPORATION**

December 27, 2016

**PHILIPPINE DEALING & EXCHANGE CORP.**

37<sup>th</sup> Floor, Tower 1, The Enterprise Center  
6766 Ayala Ave., cor. Paseo de Roxas, Makati City

Attention: **Ms. Vina Vanessa S. Salonga**  
*Head, Issuer Compliance and Disclosure Department (ICDD)*

Re: **Clarification of News Report -  
SMIC Considers Issuing Dollar Bonds**

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Ladies and Gentlemen:

Please be informed that SM Investments Corporation replied to the Philippine Stock Exchange's request for clarification on the news article entitled "SMIC considers issuing dollar bonds" posted in Inquirer.net on December 27, 2016.

See attachment for further information.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Elmer B. Serrano', written over a horizontal line.

**ELMER B. SERRANO**  
Corporate Secretary

Encl. a/s



**INVESTMENTS  
CORPORATION**

December 27, 2016

**PHILIPPINE STOCK EXCHANGE**

3<sup>rd</sup> Floor, Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Attention: **Mr. Jose Valeriano B. Zuño III**  
*OIC - Head, Disclosure Department*

**Ms. Krystal Faith U. Go**  
*Analyst, Disclosure Department*

Ladies and Gentlemen:

We reply to your request for clarification on the news article entitled "SMIC considers issuing dollar bonds" posted in Inquirer.net on December 27, 2016. The article reported in part that:

"The country's leading conglomerate SM Investments Corp. is open to issuing bonds in US dollar denomination next year to complete the P50-billion borrowing program made under a shelf registration program.

SMIC chief finance officer Jose Sio told reporters in a recent interview that after the conglomerate's issuance of P20 billion worth of bonds, the group would still have leeway to raise about P30 billion next year depending on market conditions.

'It could be peso or dollar,' he said.

Some of the proceeds will be used to fund acquisitions related to core businesses, Sio said. There are some ongoing discussions for potential acquisitions but they are confidential at this point, he added.

...."

We would like to clarify that the P50 billion shelf registration approved by the Securities and Exchange Commission is denominated in Philippine Pesos. In addition to the P50 billion shelf registration, we can separately consider issuing US dollar bond at an appropriate time in 2017.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Elmer B. Serrano', written over a horizontal line.

**ELMER B. SERRANO**  
Corporate Secretary