



**INVESTMENTS
CORPORATION**

**Notice of Annual Stockholders' Meeting
April 25, 2018 at 2:30 p.m.
SMX Convention Center Manila, 2nd Floor, Function Room 1
Seashell Drive, Mall of Asia Complex, Pasay City 1300**

To all Stockholders:

The 2018 Annual Stockholders' Meeting of SM Investments Corporation will be held on April 25, 2018 at 2:30 p.m. at the Function Room 1, SMX Convention Center Manila, Seashell Drive, J.W. Diokno Boulevard, Mall of Asia Complex, Pasay City. The agenda of the meeting is set forth below:

A G E N D A

1. Call to order
2. Certification of notice and quorum
3. Approval of minutes of Annual Stockholders' Meeting held on April 26, 2017
4. Annual Report for the Year 2017 (Open Forum)
5. Amendment of the Second Article of the Articles of Incorporation
6. Ratification of the acts of the Board of Directors and the Management from the date of the last annual stockholders' meeting up to the date of this meeting
7. Election of directors for 2018-2019
8. Appointment of external auditors
9. Other Matters
10. Adjournment

Attached are the rationale for the above agenda items for reference.

The Board of Directors has fixed the end of trading hours of the Philippine Stock Exchange (PSE) on March 26, 2018 as the record date for the determination of stockholders entitled to notice of and to vote at such meeting and any adjournment thereof.

In case you cannot personally attend the meeting, you may accomplish the attached proxy form and submit the same to the office of the Corporate Secretary at the 33rd Floor, The Orient Square, F. Ortigas Jr. Road, Ortigas Center, Pasig City 1600 at least seven (7) business days (or until April 16, 2018) before the annual meeting, as provided in the By-laws.

For your convenience in registering your attendance, please bring some form of identification, such as a passport, driver's license, or company I.D.

Pasig City, February 28, 2018.

BY THE ORDER OF THE BOARD OF DIRECTORS

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

ELMER B. SERRANO
Corporate Secretary

SM INVESTMENTS CORPORATION

Rationale for Agenda Items:

Agenda Item 3: To acknowledge and consider for approval the Minutes of Annual Stockholders' Meeting (ASM) held on April 26, 2017.

The minutes of the ASM held on April 26, 2017 were made and submitted to the SEC within the period prescribed by pertinent laws, rules and regulations. The minutes were also posted on the website of SM Investments Corporation (SMIC). The Board of Directors recommends that the stockholders consider subject minutes for approval on April 25, 2018.

Agenda Item 4: To acknowledge and consider for approval the Annual Report of the Company for 2017.

The Company's 2017 performance results have been duly summarized in the Annual Report which includes the Audited Financial Statements (AFS) of the Company for the year ended 2017. The AFS have been reviewed by the Audit Committee and the Board of Directors, and have been audited by the external auditors who expressed an unqualified opinion on the aforementioned financial statements. Any stockholder who would like to receive a hard copy of the 2017 Annual Report may request for a copy from the Investor Relations Office.

Agenda Item 5: To approve the amendment of the Second Article of the Articles of Incorporation.

The Company's Articles of Incorporation shall be amended to include in the Company's secondary purpose the ability to guarantee, for and in behalf of the Company, obligations of the Company or entities in which it has lawful interests. Such amendment will effectively give the Company better flexibility and leverage in the conduct of its business and transactions.

Agenda Item 6: To acknowledge and ratify all the acts of the Board of Directors and Management from the date of the last ASM to the date of this meeting.

The Company's performance in 2017, as detailed in the Annual Report, is attributed to the strategic directions and key policies set by the Board of Directors which were effectively executed and complied with by Management in conformance with good corporate governance and ethical best practices.

Agenda Item 7: To elect the Board of Directors for 2018 to 2019.

Qualifications of the nominated Directors have been duly reviewed and based thereon, the nominated Directors are determined to be qualified and are being recommended by the Company's Corporate Governance Committee for election. Their proven competence, expertise and qualifications based on current regulatory standards and the Company's own norms, will help sustain the Company's solid performance for the benefit of all its stockholders.

Agenda Item 8: To consider and approve the Audit Committee's recommendation for the appointment of the external auditor.

Based on the recommendation of the Audit Committee, the Board nominates SyCip Gorres Velayo & Co. (SGV & Co.) as the Company's external auditor for 2018. SGV & Co. is one of the top auditing firms in the country which is duly accredited with the Securities and Exchange Commission. The stockholders are also endorsed to delegate approval authority to the Board to approve the appropriate audit fee for 2017.

Pasig City, February 28, 2018.