



**INVESTMENTS
CORPORATION**

December 7, 2016

PHILIPPINE STOCK EXCHANGE, INC.
Tower One, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

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

Ms. Christina Marie C. Fortes
Assistant Manager, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.
37th 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: **Press Release - SMIC Fixed Rate Peso Bonds Oversubscribed**
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Ladies and Gentlemen:

Please be informed that SM Investments Corporation will be releasing to the press the attachment entitled "SMIC Fixed Rate Peso Bonds Oversubscribed".

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



PRESS RELEASE

SMIC Fixed Rate Peso Bonds Oversubscribed

(December 7, 2016, Pasay City, Philippines) SM Investments Corporation (SMIC) will issue a total of Php20 billion worth of Series G retail bonds priced at 5.1590% due 2023, up from the initial offer size of only Php15 billion. The Series G bond issue was met by strong demand from a wide spectrum of investors ranging from individuals in the retail market to banks, investment funds, pension funds, insurance companies and other corporates. This prompted the issuer, through the joint lead underwriters and bookrunners, to fully exercise the issue's Php5 billion oversubscription option at the end of the offer period, which opened on November 25, 2016 and closed on December 2, 2016. The bonds are set to be issued on December 9, 2016.

SMIC's Series G bonds is the maiden issue from its Php50 billion bond shelf registration with the Philippine Securities and Exchange Commission. The bond proceeds are intended to finance future investments and strategic acquisitions in SMIC's core business segments namely, property, retail and financial services.

SMIC's bonds are rated PRS Aaa by Philippine Rating Services Corporation (PhilRatings), the highest rating assigned by PhilRatings. The rating denotes that such obligations are of the highest quality with minimal credit risk, and that the issuing company's capacity to meet its financial commitment on the obligations is extremely strong.

The SMIC Series G bonds' joint issue managers are BDO Capital & Investment Corporation and China Bank Capital Corporation, which also acted as joint lead underwriters and joint bookrunners together with BPI Capital Corporation and First Metro Investment Corporation. SB Capital Investment Corporation acted as co-lead underwriter of the bond issue.

About SM Investments Corporation

SM Investments Corporation (SM) is one of the leading conglomerates in the Philippines with highly synergistic businesses in retail, banking and property development. SM is one of the more responsible companies in the country due to its progressive approach in business and its comprehensive sustainability programs for its host communities through SM Foundation and SM Cares.

SM's retail operations enjoy a strong brand franchise consisting of THE SM STORE; a strong portfolio of leading specialty retailers including Ace Hardware, SM Appliances, Homeworld, Our Home, Toy Kingdom, Watsons and others; and its food retail chains, namely SM Supermarket, SM Hypermarket, Savemore and WalterMart stores. SM's property arm, SM Prime Holdings, Inc., is one of the largest integrated property developers in the Philippines with interests in mall, residential, commercial and tourism development. SM's interests in banking are in BDO Unibank, Inc. (BDO), the country's leading bank and in China Banking Corporation (China Bank), the sixth largest private bank. Combined, these two banks have a network of over 1,400 branches nationwide.

For more about SM, visit www.sminvestments.com

For further information, please contact:

Ms. Corazon P. Guidote

Senior Vice President for Investor Relations

SM Investments Corporation

E-mail: cora.guidote@sminvestments.com

Tel. No. (632) 857-0117