

June 9, 2015

PHILIPPINE STOCK EXCHANGE

3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention : Ms. Janet A. Encarnacion
Head - Disclosure Department

Re : **SM Investments Corporation (SMIC)**
SEC Reg. No. 16342

Dear Ms. Encarnacion,

This is in reference to your memo dated June 9, 2015, requesting for confirmation on the veracity of the news article entitled "SM buys Cherry's 3 grocery outlets" posted in The Standard (Internet Edition) on June 8, 2015. The article reported in part that:

"The group of tycoon Henry Sr. has acquired supermarket chain Cherry Foodarama considered one of the pioneers in the domestic retail industry, in a move that is expected to further strengthen the conglomerate's leading position in the business.

Informed sources said the Sy Group acquired three supermarkets under the Cherry Foodarama chain located in Congressional Avenue in Quezon City, Marcos Highway in Antipolo, and Shaw Boulevard in Mandaluyong City for an undisclosed amount.

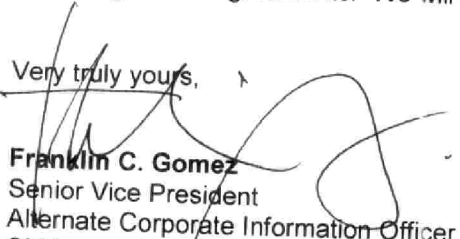
Officials from Sy-led SM Prime Holdings Inc. and SM Investments Corp. did not immediately respond when asked for confirmation about the deal.

Only two Cherry supermarkets, namely Cherry Foodarama Congressional and Cherry Foodarama Antipolo, are operational. Cherry Foodarama Shaw was originally rescheduled to reopen at its original site along Shaw Boulevard in Mandaluyong last month but this did not push through reportedly because of the entry of a new investor.

Employees interviewed by The Standard at Cherry Foodarama, Congressional Avenue branch and Cherry Foodarama Antipolo outlet said they were informed by the management last week that the supermarket chain had been acquired by the SM Group and that the existing stores would be closed down by June 25.

SM and subsidiaries are in discussion with the management of Cherry and both parties are in the process of signing formal agreements. We will disclose to the SEC and PSE once the documents are signed.

Very truly yours,


Franklin C. Gomez
Senior Vice President
Alternate Corporate Information Officer
SM Investments Corporation

Cc: Director Justina Callangan
SEC - Corporate Finance Dept. Head

Ms. Vina Vanessa S. Salonga
PDEX - Issuer Compliance & Disclosure Dept. Head