

October 19, 2012

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
SEC Reg. No. 16342

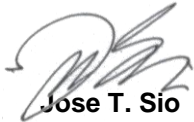
Dear Ms. Encarnacion,

Please be informed that SM Investments Corporation (SMIC) has completed the placement of 9.1 million primary common shares to institutional investors via a top up placement at a price of Php700 per share. Total proceeds raised amounted to Php6.37 billion (approximately US\$150 million). The price of Php700 was discounted by 6.04% based on the closing price on August 23, 2012 of Php745 per share.

Pursuant to the top up placement, the Selling Shareholders (namely Teresita T. Sy, Elizabeth T. Sy, Hans T. Sy, Herbert T. Sy and Harley T. Sy) sold 9.1 million shares of existing SMIC shares to institutional investors at Php700 per share, and SMIC concurrently issued 9.1 million new primary common shares to the Selling Shareholders at the same price.

The proceeds of the placements were mainly used to pay off an existing bank loan, including related interest.

Very truly yours,



Jose T. Sio
Executive Vice President and CFO
Corporate Information Officer
SM Investments Corporation

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

Maria Victoria M. Caintic, CFA
PDEX – Associate Director, Issuer Services

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