



10/F OneE-com Center
Harbor Drive, Mall of Asia Complex
Pasay City 1300 Philippines

February 2, 2016

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 February 2, 2016, requesting for confirmation on the veracity of the news article entitled "Sy wins 20-year-old case on Posadas lot" posted in BusinessMirror (Internet Edition) on February 1, 2016. The article reported in part that:

"THE Supreme Court (SC) has issued a ruling favoring the bid of Henry Sy-led SM Investments Corp. (SMIC) to acquire a 27.6-hectare prime property in Muntinlupa City and develop it into a high-end residential and commercial haven.

In a 12-page decision penned by Associate Justice Jose Portugal Perez, the SC's First Division reversed and set aside the ruling issued by the Court of Appeals on September 13, 2011, which held that there was no agreement reached between SMIC and respondent-landowners Estela Marfori-Posadas, her daughter Maria Elena and mother-in-law Aida Macaraig-Posadas on the development of the property.

The property is in Posadas Subdivision in Muntinlupa City, between the South Luzon Expressway and the Laguna de Bay.

Instead, the High Court reinstated the ruling issued by the Regional Trial Court in Makati City, which held that there is a perfected joint-venture agreement between the SMIC and the Posadas family based on several correspondences between the two parties.

...."

As of this writing, we have not received a copy of the decision from the Supreme Court and hence we are unable to comment on the said article.

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