

March 26, 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 March 26, 2015, requesting for confirmation on the veracity of the news article entitled "SM eyes casino project in Cebu" posted in philstar.com on March 26, 2015. The article reported in part that:

"MANILA, Philippines - Mall and banking giant SM Investments Corp. (SMIC) is making a huge bet in Cebu as it plans to pursue a casino project in the Queen City of the South.

SMIC chief finance officer Jose Sio told reporters on the sidelines of the Latham & Watkins annual investment conference yesterday that a casino development is being 'dreamed of' to rise in Cebu.

Sio said SMIC has 30 hectares of available land in South Road Properties (SRP) which the company can use should it pursue the casino project.

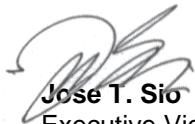
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Sio said SMIC does not intend to take in any partner if the casino project materializes.

...."

At the Latham and Watkins Conference, we only mentioned the possibility of having a gaming project in Cebu given the development in the area. However, the company does not have any specific plans to pursue this as it will depend on market condition and prevailing government policy.

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

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

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