

May 20, 2014

**PHILIPPINE STOCK EXCHANGE**

3<sup>rd</sup> 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 May 20, 2014, requesting for confirmation on the veracity of the news article entitled "SM open to joining Manila Bay airport" posted in Manila Standard Today (Internet Edition) on May 20, 2014. The article reported in part that:

"SM Investments Corp. has expressed interest in teaming up with San Miguel Corp. for the planned \$10-billion airport project on a 1,600-hectare a portion of Manila Bay in Parañaque, Las Piñas and Bacoor, Cavite.

'We can talk. That's what we need for our country to grow in the next stage,' SM Investments chief finance officer Jose Sio said in an interview at the sidelines of the company's P15-billion bond listing with Philippine Dealing & Exchange Corp.

Sio said the proposed airport project would be good for the economy and help improve the country's infrastructure.

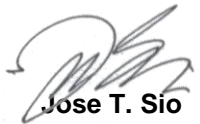
The site of the proposed airport project is near the 300-hectare proposed reclamation project of SM group with the Pasay City government.

Sio, however, said there were no ongoing talks with San Miguel over the airport project.

...."

We confirm the above article except for the site of the proposed airport.

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. Ma. Concepcion Magdaraog  
PDEX – Issuer Compliance & Disclosure Dept. Head

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