



July 21, 2014

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 July 21, 2014, requesting for confirmation on the veracity of the news article entitled "SMIC mulls feasibility of bringing in Indon convenience store chain" published in Philippine Star today on July 21, 2014. The article reported in part that:

"Mall, banking and retail conglomerate SM Investments Corp. (SMIC) is studying the feasibility of introducing Indonesian convenience store chain Alfamart to the Philippines.

A neighborhood store concept will be SM Group's answer to the intensifying competition in the convenience store segment that has prompted local conglomerate as (sic) to partner with foreign players, an executive said late last week.

SMIC chief finance officer Jose Sio said the conglomerate is taking its time as it studies opportunities in the convenience store market.

Sio said it has yet to sign a partnership deal with Alfamart.

...."

We confirm that we are currently planning and testing a different food retail format. We will make a formal announcement at an appropriate time.

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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