



March 13, 2018

PHILIPPINE DEALING & EXCHANGE CORP.
37/F, Tower 1, The Enterprise Center
6766 Ayala Ave. cor. Paseo de Roxas, Makati City

Attention: **Ms. Erika Grace C. Alulod**
Head, Issuer Compliance and Disclosure Department (ICDD)

Re: **PSE Clarification on the news article entitled "SM Group
plans to spend P66.3b to expand units"**

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Ladies and Gentlemen:

Please be informed that SM Investments Corporation replied to the Philippine Stock Exchange's request for clarification on the news article entitled "SM Group plans to spend P66.3b to expand units" posted in manilastandard.net on March 12, 2018.

See attachment for further information.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Elmer B. Serrano', written over a horizontal line.

ELMER B. SERRANO
Corporate Secretary

Encl. a/s



**INVESTMENTS
CORPORATION**

March 13, 2018

PHILIPPINE STOCK EXCHANGE, INC.

PSE Tower, 28th Street corner 5th Avenue,
Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Madame:

We reply to your request for clarification on the news article entitled "SM Group plans to spend P66.3b to expand units" posted in manilastandard.net on March 12, 2018, the pertinent portion of which reads:

"Conglomerate SM Investments Corp. said Monday it will spend P66.3 billion this year mostly to expand its property, banking and retail businesses.

....

Banking units BDO Unibank Inc. and China Banking Corp. budgeted P50 billion in capital expenditures for branch expansion and information technology enhancements.

...."

We confirm the article except for the capital expenditure of banking units BDO and China Banking Corp. which should read Php 11.0 billion instead of Php 50 billion as quoted in the article.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Elmer B. Serrano', with a long, sweeping flourish extending upwards and to the right.

ELMER B. SERRANO
Corporate Secretary