



Investor Presentation

October 2019

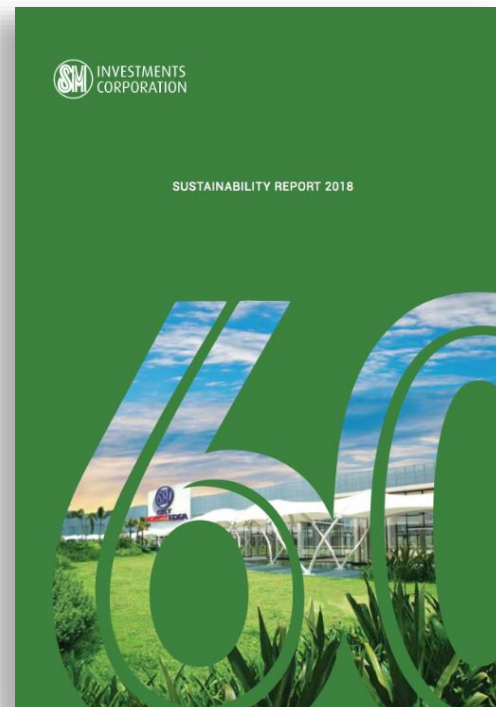


Learn more about SM Investments

2018 Annual Report



2018 Sustainability Report



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Philippines: Strong Macroeconomic Fundamentals

Young Workforce with Rising Incomes

Strong GDP Growth 5.5%	Per Capita GDP USD3,298	Median Age 23
Consumption Driven 67.8% of GDP	Per Capita GNI USD3,955	Population 105M +1.6% p.a.

Inflation and Interest Rate Environment

- Avg. Inflation rate: **2.8%** (Jan-Sep 2019)
- Avg. lending rate: **7.2%** (Jan-Aug 2019)

Healthy Fiscal and Monetary System

- Debt/GDP: **43.7%**
- CAR: **15.8%**
- NPLs: **1.6%**

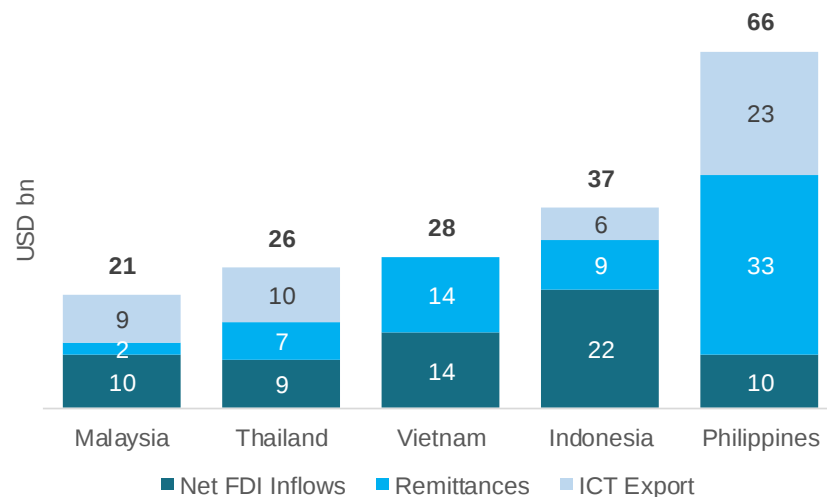
Current Credit Ratings	
S&P	BBB+ Stable
Moody's	Baa2 Stable
Fitch	BBB Stable

Source: BSP Selected Economic and Financial Indicators
Release as of October 11, 2019

Opportunities

- Improved Infrastructure development
- Provincial growth – Luzon, Visayas, Mindanao
- Job creation and inclusive growth
- Agriculture, Tourism, Manufacturing
- Foreign Direct Investments

Net External Inflows and ICT Exports



Source: The World Bank, Most Recent Data (2017)

About SM Investments

SMIC is a leading Philippine company that is invested in market leading businesses in retail, banking and property. It also invests in ventures that can capture high growth opportunities in the emerging Philippine economy

Strong Proxy for Philippine Growth

- Market leading consumer-centric businesses
- Strong brand franchise
- Extensive group synergies

Business Enabler

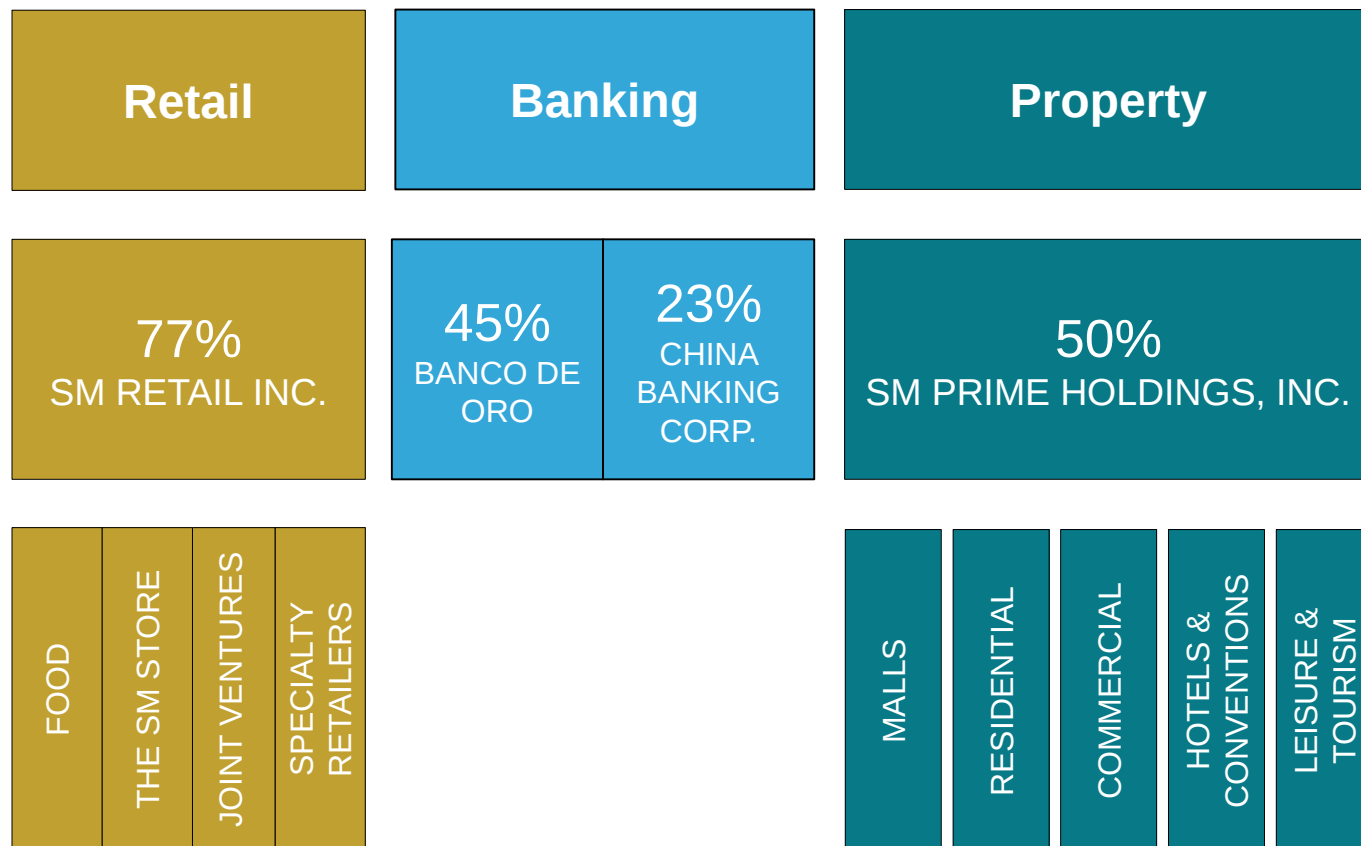
- Partner of choice
- Access to capital and SM's extensive network of businesses, customers, tenants and suppliers
- Strong management commitment to partner success

Culture of Sustainability

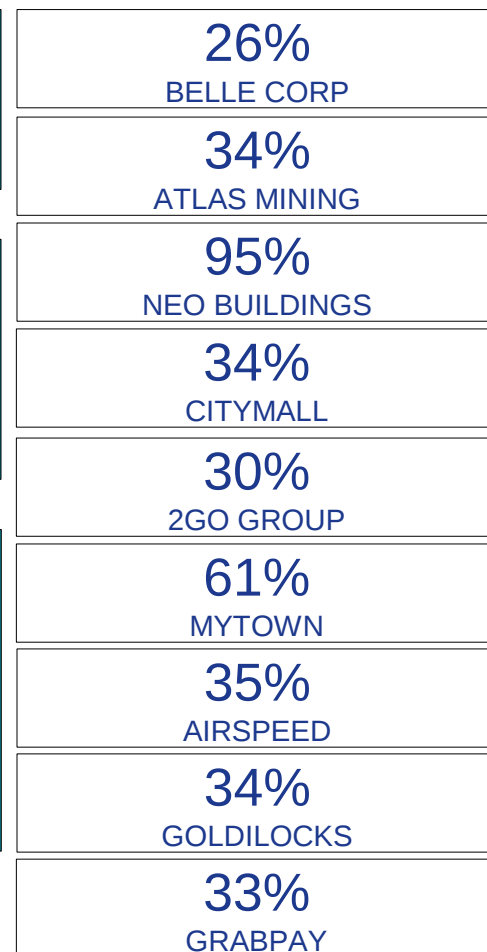
- Catalyst for development in the communities we serve
- Environmental responsibility and disaster resilience
- Strong governance and prudent financial management

Our Investments

Core Investments



SM Equity Investments



Leading Philippine Conglomerate

Our three largest companies – SMIC, SM Prime and BDO – comprise 30% of the value of the Philippine Index

Philippine Conglos

Market Cap (USD bn)

SMIC	22.6
Ayala Corp	10.7
JG Summit	10.0
SMC	7.9
Aboitiz Equity	5.8
GT Capital	3.5
Metro Pacific	3.0
LT Group	2.9
DMCI	2.1
Alliance Global	2.1

Source: Bloomberg;
Figures as of September 30, 2019

Philippine Retailers

FY 2018 Total Sales (USD mn)

SM Retail	6,145
Puregold	2,675
Robinsons	2,519
Philippine Retailers	
FY 2018 Store Count	
SM Retail	2,328
Puregold	409
Robinsons	1,910

Source: Company Information, end-2018

Philippine Banks

Total Resources (USD bn)

BDO	59.6
Metrobank	45.0
BPI	41.7
Landbank	35.8
PNB	21.2
China Bank	17.8
Security Bank	15.3
UBP	13.7
RCBC	13.3
DBP	13.2

Source: Consolidated statements of
condition (SOC), 1H 2019

Property Developers

Market Cap (USD bn)

SM Prime	20.7
Ayala Land	14.1
Megaworld	2.7
Robinsons Land	2.5
Vistaland	1.9
Double Dragon	0.9
Filinvest	0.7

Source: Bloomberg;
Figures as of September 30, 2019

Our Business Footprint

Metro Manila (NCR)

- 802 retail outlets
- 23 malls
- 925 bank branches

Luzon (ex-NCR)

- 769 retail outlets
- 38 malls
- 611 bank branches

Visayas

- 261 retail outlets
- 6 malls
- 216 bank branches

Mindanao

- 140 retail outlets
- 5 malls
- 229 bank branches

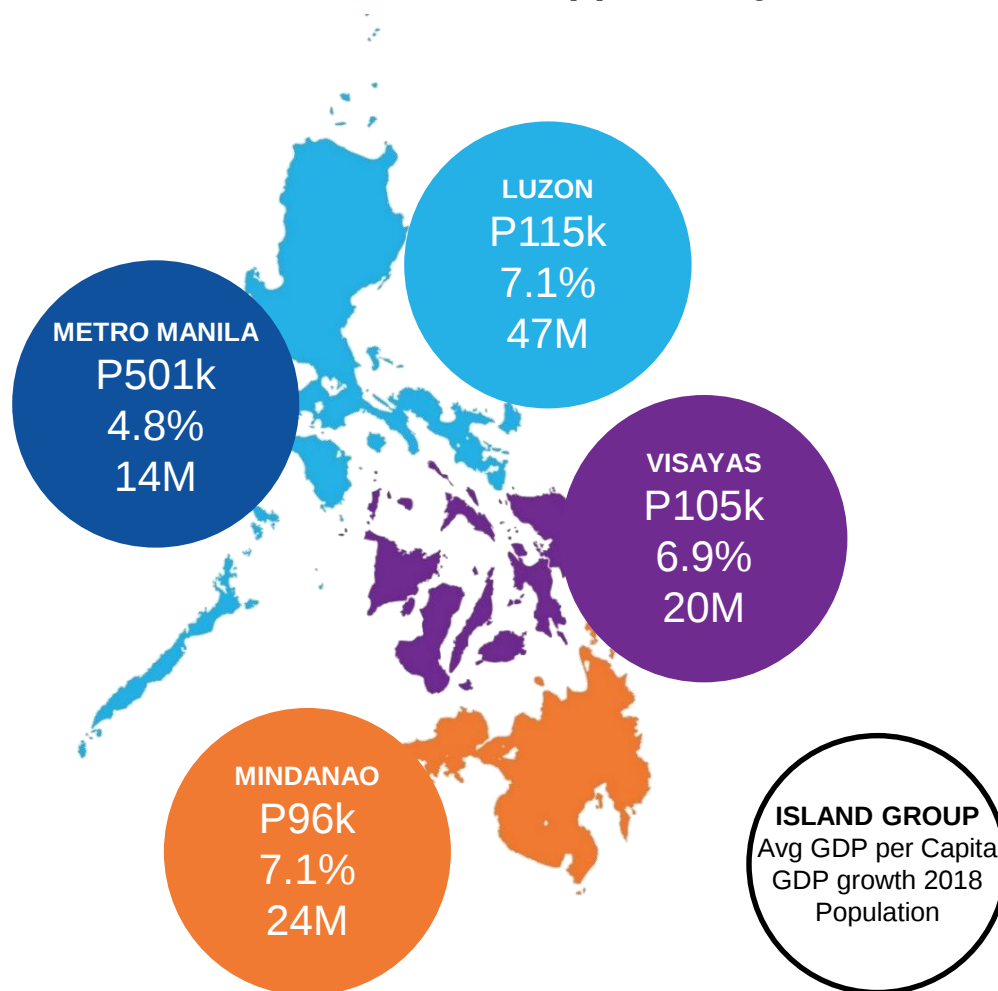
Total Philippines

- 2,600* retail outlets
- 72 malls
- 1,981 bank branches

Note: Most Recent Data

*Alfamart included, but not in regional breakdown

Provincial Penetration Opportunity



Summary of SMIC Recent Performance

Figures in PHP billion except percentages

SM Investments	1H 2019	1H 2018	% Chg	FY 2018
Revenues	233.7	204.3	14%	449.8
Net Income	23.0	18.1	27%	37.1
Net Margin (inc-NCI)	15.2%	14.2%	-	13.0%
ROE	11.7%	-	-	10.9%
Net Debt:Equity	44:56	-	-	44:56

SM Retail	1H 2019	1H 2018	% Chg	FY 2018
Gross Revenues	169.8	150.5	13%	335.6
Net Income*	5.7	5.7	0%	11.3
Net Margin (inc-NCI)	3.9%	4.4%	-	3.9%

BDO	1H 2019	1H 2018	% Chg	FY 2018
Net Interest Income	56.9	46.0	24%	98.3
Non Interest Income	29.5	22.8	29%	49.7
Net Income	20.2	13.1	53%	32.7

SM Prime	1H 2019	1H 2018	% Chg	FY 2018
Revenues	57.0	49.8	15%	104.1
Net Income	19.3	16.6	16%	32.2
Net Margin	33.8%	33.4%	-	30.9%
ROE	14.0%	-	-	12.0%
Net Debt:Equity	40:60	-	-	40:60

*Excluding PFRS 16 adjustments, net income grew 10% for SM Retail

Recent Events

Parent/Group

- SMIC ranked:
 - #158 World's Best Employer in Forbes 2018 Global 2000 report
 - #172 Best Regarded Company in Forbes 2019 Global 250 report
- SMIC became a constituent of the FTSE4Good Index Series
- SMIC joined UN GRI Global Compact as a signatory

Retail

- Opened 110 Food and 66 Specialty stores as of 1H 2019, 80% outside Metro Manila
- Alfamart currently operating over 650 stores

Banking

- China Bank raised PHP30bn via fixed-rate peso bonds at 5.7% due 2021

Property

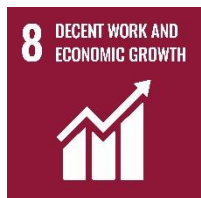
- Building the world's largest and first IKEA store in the Philippines
- Groundbreaking of The Estate, a joint venture between SMDC and Federal Land, ultra luxury residential project
- Park Inn by Radisson North EDSA was launched July 2019

SM Equity Investments

- MyTown won the highest-rated Filipino award in the Asia-Pacific Stevie Awards for 'living, learning and work environments'

Our ESG Culture

We are committed to sustainable growth and alignment with UN SDGs



Provide inclusive economic opportunities

- Job creation
- Inclusive supply chains
- Innovative banking products and services



Facilitate community development

- Public infrastructure building and rehabilitation
- Disaster risk reduction



Promote environmental responsibility

- Responsible consumption
- Conservation and preservation of natural environment and biodiversity
- Green finance



Drive advocacy and awareness

- Signatory to UN Global Compact and UN Arise Philippines
- Prescribe to the GHG Protocol and CDP
- Partnered with GRI for 1st Sustainability Summit in the country

Supporting our Stakeholders

Business growth and social development go hand-in-hand



Positive community impact

- Construction of public health centers with birthing facilities
- Feeding programs and medical missions
- School buildings construction and scholarship programs



Responsible employment practices

- Forbes 2019 Global World's Best Employer - #183
- 350,000 direct and indirect jobs created



Support for MSMEs

- 25,000+ MSME's engaged
- Financing, market access and business continuity



Anchored on good governance

- ASEAN Corporate Governance Award 2019 - #1 in the Philippines



Benchmark against global best practices

- Forbes 2019 Global Best Regarded Companies - #172

Strong Leadership

Board of Directors



FROM L TO R: **ALFREDO E. PASCUAL**, Independent Director • **TOMASA H. LIPANA**, Independent Director
FREDERIC C. DYBUNCIO, CEO and President • **JOSE T. SIO**, Chairman • **TERESITA SY-COSON**, Vice Chairperson
HENRY T. SY, JR., Vice Chairperson • **HARLEY T. SY**, Director • **ROBERT G. VERGARA**, Independent Director

Business Leadership

Teresita



BDO and Non-food
Retail

Elizabeth



Hotels and
Convention Centers

Henry Jr.



Integrated Property
Development and
Residential

Hans



China Bank and
Mall Development

Herbert



Food Retail

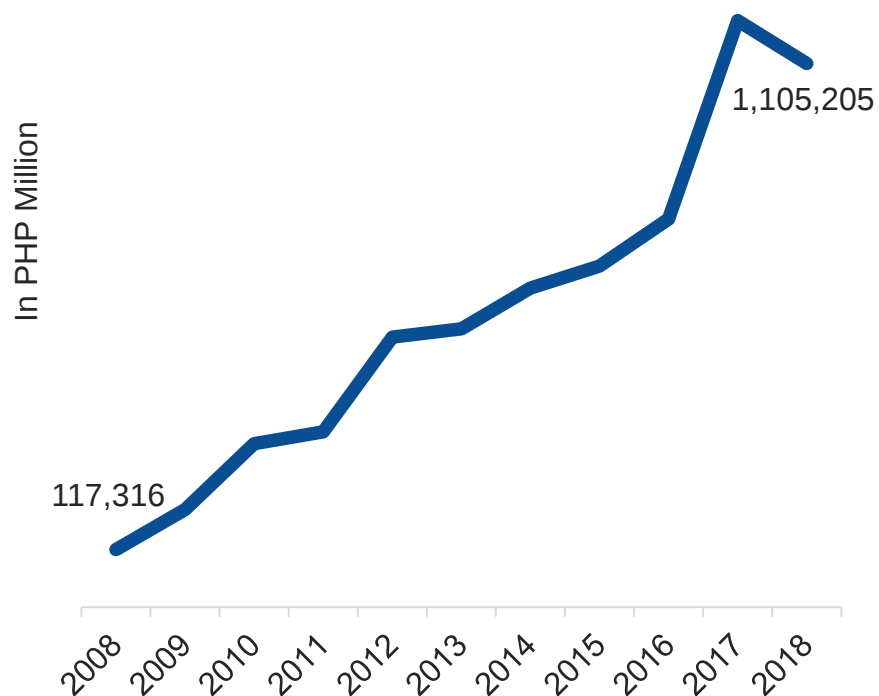
Harley



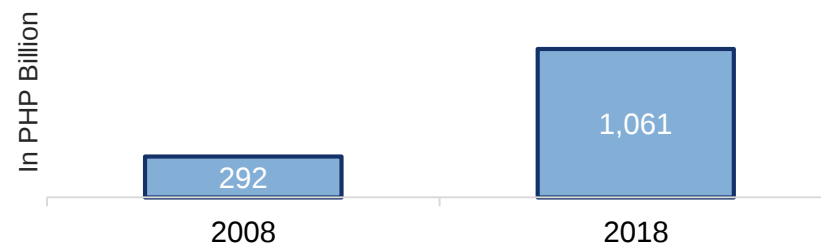
Non-food Retail

10-Year Performance

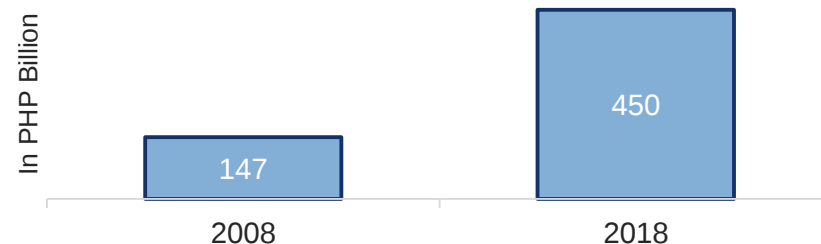
Market Cap grew 25.1% p.a.



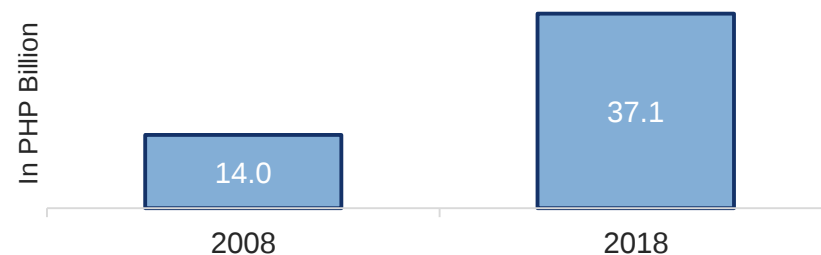
Assets grew at 13.8% p.a.



Revenue grew at 11.8% p.a.



Net Income grew at 10.2% p.a.



What's New In SM?

BDO is trusted partner of Overseas Filipinos' remittance



The Bangko Sentral ng Pilipinas (BSP) recognized BDO's significant role as a trusted facilitator of overseas remittances to beneficiaries of Overseas Filipinos. With BDO's wide customer reach through its domestic branches and partners abroad, the country's largest bank is capturing 40% of all remittance transactions in the country.

SM Now Online!



SM launched ShopSM in June 2019. ShopSM complements the current brick and mortar setup where customers can shop anywhere, anytime. Items can be arranged for delivery or pick-up at 'Click and Collect' counters in select SM Malls. Visit <http://shop.sm.com/> for more details.

SM Foundation fetes 270 scholar-graduates



SM Foundation recognized 270 scholar-graduates during its 23rd Presentation of SM College Scholar-Graduates at the SMX Convention Center in Pasay City. Among the graduates were 53 latin honors and distinction comprised of two Summa Cum Laudes, 15 Magna Cum Laudes, 32 Cum Laudes, and four with academic distinction awards. Currently, there are over 3,200 scholar-graduates of SM Foundation.

Regional Property Expansion



SM Prime opened Park Inn by Radisson in Iloilo City in March 2019. The newly opened hotel features 199 rooms which provide accessible accommodations to business and leisure travelers alike



SM Prime opened CDO Downtown Premiere, a 17,000 sqm. modern leasable office space in Cagayan de Oro City – a rising city in Mindanao.

E-commerce

SM is building comprehensive assets and capabilities with best-in-class partners to develop and lead the emerging Philippine e-commerce opportunity

OMNICHANNEL RETAIL PRESENCE

NATIONWIDE FOOTPRINT



ONLINE SITES

Non-Food



Food



E-MARKETPLACES



END-TO-END CUSTOMER SOLUTIONS



DIGITAL
PAYMENT

2GO



ninja
van

LAST MILE
FULFILMENT

LAZADA
COMPH

Shopee



PICK
UP

SM Advantage

No. 1 Loyalty Card in the Philippines



MEMBERS
ACQUISITION

SM Retail: Most Diversified Retail Portfolio



- **Leading player in creating Philippine modern retailing**
 - Food - multiple formats from 200 to 14,000 sqm GFA
 - Non-food - Department stores, Specialty retailing
- **Service-led - SM is the most trusted brand in the Philippines**
 - Serving all customer segments
 - Diversified portfolio of leading domestic and foreign brands
- **Nationwide expansion strategy - faster market penetration and promote regional growth**
 - Low market penetration today
 - 80% of new stores opened outside Metro Manila
 - Partnerships accelerate expansion
- **Scalable, competitively advantaged operations**
 - Extensive synergies with SM Malls
 - Strong distribution network
 - 'Click & Collect' Ecommerce opportunity

SM Retail: Food Retailing



Supermarkets

Large format anchor tenant in SM malls

Hypermarkets

Stand-alone large format destinations with 50/50 food/non-food mix

Savemore

Stand-alone mid-sized format expanding nationwide

WalterMart

Mid-sized format tenant located in WalterMart Malls expanding in Luzon

Alfamart

Minimart format, JV with Indonesian partner providing supermarket goods and prices in neighborhood locations

SM Retail: Non-Food Retailing

The SM STORE



- Anchor tenant in SM malls
- Wide range of merchandise and price points
- Targets all customer segments

Specialty Retailing

SM Appliance	Homeworld
Ace Hardware	Watsons
Toy Kingdom	Kultura
Baby Company	Sports Central
Our Home	Pet Express
Crate & Barrel	Body Shop
Forever 21	Uniqlo
Miniso	Bata
Under Armour	Dyson

- Leading local category specialists
- Aspirational but affordable foreign brands
- High margin, high growth
- Key tenants in malls, selective expansion outside malls

Alfamart

- JV with Alfamart Indonesia
- Everyday grocery products, including fresh and frozen, plus ready-to-eat options
- Supermarket pricing
- Operating 652 branches at end-July 2019, located in residential areas outside Metro Manila
- Utilizes own distribution system, leveraging synergies with the SM Group
 - Supplier network
 - SM Bills Payment
 - SM Advantage Card
 - Watson's Pharmacy
 - BDO and China Bank ATM



SM Retail: Footprint Expansion Opportunity

Department Stores	Stores	GSA (sqm)	Average
The SM Store	63	795,864	12,633

Food	Stores	GSA (sqm)	Average
SM Supermarket	57	360,250	6,320
SM Hypermarket	52	350,491	6,740
Savemore	197	535,088	2,716
WalterMart	55	152,552	2,774
Alfamart	628	113,501	181

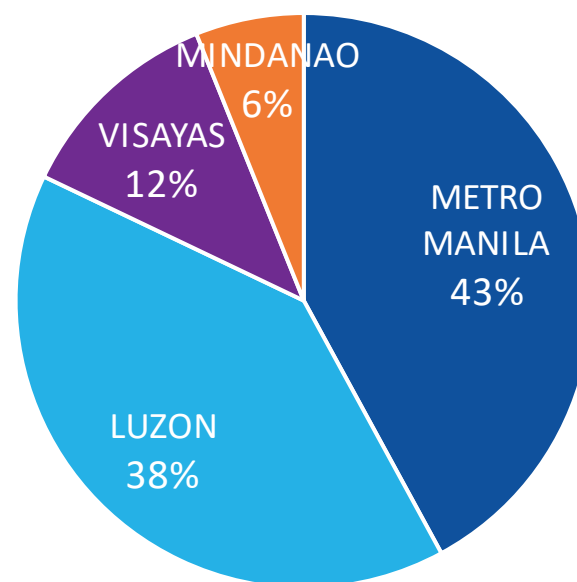
Specialty Stores*	Outlets	GSA (sqm)	Average
Ace Hardware	188	162,472	864
Homeworld	91	134,143	1,474
Toy Kingdom	130	54,666	421
SM Appliances	85	93,213	1,097
Miniso	81	22,189	274
Others	973	160,121	165

	Stores/Outlets	GSA (sqm)
Total	2,600	2,934,551

*Some outlets located in SM Stores/Food stores

Note: Most Recent Data

SM Retail Footprint (GSA)



Banking: BDO



Market-leading position:

- #1 in terms of assets, loans, deposits and assets under management
- Leader in investment banking, private banking, rural banking, remittances, credit cards and insurance brokerage

Full-service universal bank with a complete product and service menu

Focused coverage of target markets and customer-centric culture

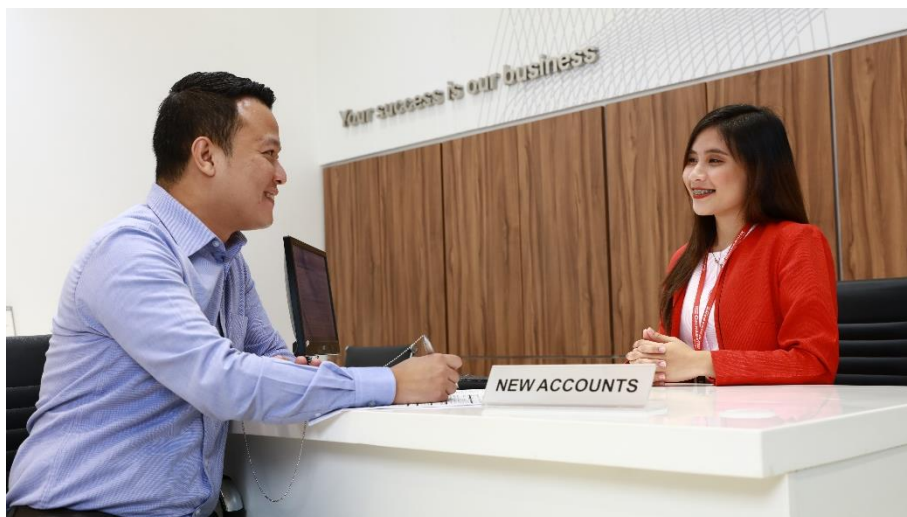
Strong deposit franchise

- Highest CASA ratio among private commercial banks
- Lowest funding cost

Widest distribution network

- Over 1,300 branches
- Extended banking hours and seven-day banking in mall branches
- Over 4,300 ATMs nationwide

Banking: China Bank



One of the leading private universal banks in the Philippines with total assets of P904 Bn (USD17.8 Bn)

Strong presence in the entrepreneur, middle market and business segments

Longest relationship with Chinese-Filipinos, serving this community up to the 4th generation

Offers a comprehensive suite of products and services

Nationwide network:

- 621 branches
- Over 900 ATMs nationwide

Banking: Strategic Initiatives

BDO



- **Diversified and sustainable earning stream**
 - Client acquisition through branch expansion
 - Drive provincial lending and deposit taking initiatives
 - Expand fee income
- **Operating leverage**
 - Set up operating platform to support future growth
 - Implement digital strategy
- **Prudent balance sheet management**
 - Conservative provisioning for risk assets
 - Complement current funding with long term
 - Ensure sufficient capital to support growth

China Bank



- **Accelerate Expansion**
- **Grow Revenue Lines**
 - Solidify presence in corporate market
 - Defend market share for commercial/middle market/SMEs
 - Expand menu of consumer products
- **Continue diversification of fee-based businesses**
- **Intensify branding and differentiation**

About SM Prime

- Developer of large scale, integrated “Lifestyle cities” anchored on world-class malls
- The largest property developer in Southeast Asia by market capitalization
- Core businesses include Malls, Residential, Commercial, Hotels and Conventions Centers
- Focus on Philippine provincial footprint expansion - Malls and Residential
- Recurring revenues of ~70%
- Extensive landbank and ongoing landbanking activities - plus reclamation plans
- Consistently cited for excellence in corporate governance, property development, environmental consciousness and service



Malls



Residential



Commercial



Hotels

SM Prime: An Integrated Property Developer

The Mall of Asia Complex



SM Malls: Overview

PHILIPPINES



72 Malls



8.4M sqm Total GFA



18,519 Tenants



4.2M Average Daily Pedestrian Count



330 Cinema Screens



90,739 Parking Slots

CHINA



7 Malls



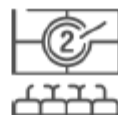
1.3M sqm Total GFA



1,916 Tenants



0.2M Average Daily Pedestrian Count



58 Cinema Screens



15,534 Parking Slots

SM Prime is the largest mall operator/developer in the Philippines.

Note: Most Recent Data

SM Malls: Philippines

Mall Distribution	Malls	GFA*	% of Total
Metro Manila (NCR)	23	3,556	42%
Luzon (ex-NCR)	38	3,046	36%
Visayas	6	1,128	13%
Mindanao	5	661	8%
Total	72	8,391	100%

Upcoming Malls	GFA*
SM Center Dagupan	23
SM City Olongapo Central	72
SM City Butuan	48
SM Mindpro Zamboanga	36
SM City Baguio (expansion)	+32
SM City Fairview (expansion)	+116

Note: Most Recent Data

*GFA in thousand sqm



SM Malls: China



SM Zibo



SM Tianjin



Existing	Date Opened	GFA*
■ Xiamen	2001 December	238
■ Jinjiang	2005 November	168
■ Chengdu	2006 October	167
■ Suzhou	2011 September	73
■ Chongqing	2012 December	149
■ Zibo	2015 September	152
■ Tianjin (partial)	2016 December	322
Total		1,269

Note: Most Recent Data

*GFA in thousand sqm

SM Residences

- A leading residential developer of high-rise buildings, mid-rise buildings and single-detached house and lots
- Extensive amenities and SM Retail facilities
- Over 134,000 units launched to date
- National housing backlog of over 5 million homes

Projects Overview

	1H 2019	1H 2018
Reservation Sales (PHP B)	41.46	34.45

Future Plans

2019 Planned launches (units)	15,000-18,000
2019 CAPEX	PHP38.4bn

SMDC Land bank

	Hectares
Metro Manila	93
Outside Metro Manila	576

Charm Residences



Charm Residences Amenity Area



SM Residences: Affordable Modern Condo Living



SM Hotels and Convention Centers

- Growing tourism opportunity
- **SM Hotels' planned expansions will complement existing Mall, Commercial and Residential developments**
 - Iloilo
 - SM North Edsa, Metro Manila
 - San Fernando, Pampanga
 - SM Seaside City, Cebu

Mall of Asia Arena



Conrad Manila



SMX Convention Center



SM Hotels and Convention Centers

Conrad Manila Lobby



Conrad Manila Diplomatic Suite



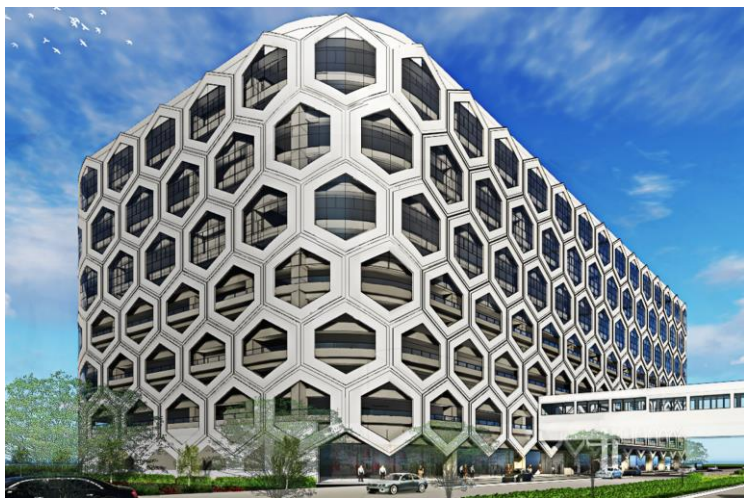
Hotel	Opened	Rooms
Taal Vista, Tagaytay	2003	261
Radisson Blu, Cebu	2010	400
Pico Sands, Hamilo Coast	2011	154
Park Inn, Davao	2013	204
Park Inn, Clark	2015	155
Conrad Manila, Pasay	2016	348
Park Inn, Iloilo	2019	200
Park Inn, North EDSA	2H2019	239
Total		1,961

Venue	Location	GLA (sqm)
SMX Manila	MOA Complex	17,306
SMX Davao	SM Lanang	5,200
SMX Aura Premier	SM Aura	3,136
SMX Bacolod	Bacolod	4,269
Megatrade Hall	Megamall	4,214
Cebu Trade Hall	Cebu	1,498
SM Seaside Skyhall	Cebu	1,857
Mall of Asia Arena	MOA Complex	20,000 seats
Total		37,480

SM Commercial Properties

Location	GFA (sqm)
Clark in Pampanga	73,000
Las Piñas City	27,000
Makati City	40,800
Pasay City	382,200
Quezon City	41,200
Sta. Rosa in Laguna	13,800
Taguig City	52,800
Taytay in Rizal	11,500
Total Leasable Area	642,300

NU Tower (3Q 2019)



ThreeE-Com Center



FourE-Com Center (2020)



Pico de Loro Development, Batangas



- 90 minutes from the Mall of Asia Complex
- Sprawling seaside sanctuary flanked by the sea on the West, mountain ranges in the East, with thirteen coves, three of which are Marine Protected Areas

SM Equity Investments

Investments in ventures to capture the high growth of the emerging Philippine economy

Logistics



Gaming & Leisure



Food Manufacturing



Natural Resources



Dormitories



Office Property



Quality Investments:

- Growth Sectors
- Market Leaders
- Synergies
- Attractive Returns and Cash Flows

SM Partnership:

- Access to our Network
- Capital
- Skills and Support
- Governance

Belle Corporation

Belle Corporation is a developer of premium tourism and leisure destinations



City of Dreams Manila

- Award-winning integrated resort operated by partner, Melco
- Total gross floor area: 310,565 sqm
- Gaming floor area: 22,507 sqm
- Over 300 gaming tables and more than 2,100 slot machines and electronic gaming tables
- Three hotel brands with 946 rooms: NÜWA, Nobu and Hyatt Regency



Tagaytay Highlands

- Award-winning luxury mountain resort
- 25 year history of developing and operating a 1,300 ha. complex of exclusive themed residential communities, golf courses and clubs
- Amenities include restaurants, sports venues, and facilities for outdoor activities

Atlas Consolidated Mining

Atlas Mining is one of the largest copper concentrate producers in the Philippines



- Copper mine with 20 years mine life
- Over 360m tonnes of proven and probable reserves
- 2018 operating results

Production

Daily milling average (<i>dmt per day</i>)	44,536
Ore grade	0.289%
Copper metal gross (<i>in million lbs</i>)	78.2

Shipment

Number of shipments	26.5
Copper concentrate (<i>'000 dmt</i>)	130



Neo Buildings

The Neo Buildings consist of 7 commercial buildings located within the largest and only PEZA certified IT park in Bonifacio Global City, Metro Manila

Buildings	GFA (sqm)
One Neo	14,358
Two Neo	18,687
Three Neo	20,000
Four Neo	38,767
Five Neo	55,651
Six Neo	55,300
Seven Neo	65,000
Total	267,763

One Neo (95%)



Two Neo (95%)



Three Neo (95%)



Four Neo (95%)



Five Neo (95%)



Six Neo (34%)



Seven Neo (34%)



2GO Group

2GO is the largest end-to-end logistics solutions provider in the Philippines

2GO
SHIPPING



2GO
LOGISTICS



2GO
DISTRIBUTION



2GO
RETAIL



Experienced and established in the Philippine Shipping and Logistics sector

- Manages warehousing and inventory requirements of several multinational companies
- Local partner of FedEx in the Philippines
- Trusted partner of the US Embassy and other foreign embassies

Integrated Businesses

- Close coordination allows greater flexibility in multiple types of moves
- Priority berthing in all ports due to its passage business allowing faster deliveries

Focused on Governance

- Published its maiden ESG report in 2019
- Rationalized the corporate structure by merging 2GO Group, Inc. and its Parent company, Negros Navigation

MyTown

MyTown is a leading developer and operator of purpose-built co-living communities providing housing solutions for young urban professionals and corporations

- Pioneered the concept of urban dormitories as communities with amenities
- Scalable solution to metro traffic and lack of affordable housing
- Operating 16 buildings offering more than 3,250 beds to date
- Plans for more than 4,450 beds by 2020



Goldilocks

Goldilocks is a leading Filipino bakeshop chain with a widely recognized heritage brand



- Opened its first store in 1966
- Over 700 stores in the Philippines and overseas
- Presence in Canada, Thailand and the USA
- Owner of Philippines Domino's Pizza franchise
- Products and services include :
 - Baked breads, cakes and snacks
 - Filipino food
 - Catering for airlines and shipping lines

GrabPay

SM's joint venture with GrabPay will focus on electronic wallet and payment development in the Philippines, building out our digital capabilities and supporting financial inclusion



Large user base

Robust and scalable technology platform



Extensive mall footprint and retail presence nationwide



Largest bank with over 1,300 branches and more than 4,300 ATMs

- Universal acceptance of GrabPay wallet at malls, stores and banks across the country
- Greater convenience for customers with expanding network of top-up channels
- Enhanced customer benefits through dedicated lanes and express checkout counters



SM Group CAPEX

2019 Planned CAPEX	PHP bn	Allocation/Projects
Retail	5	New stores / Renovations
Banks	9 - 12	Branch expansion, IT enhancements
Property*	80	Integrated Lifestyle Developments
Malls	~39%	New SM malls and expansions in Philippines
Residential	~48%	High-rise, mid-rise projects, and Leisure Homes
Others	~13%	NU Tower and FourE-Com; Addition of new hotels
Parent and Others	< 1	
Total	94 - 98	

*Most Recent Data, approximate allocation of SMPH CAPEX

Financials

Financials: SMIC

1H 2019 Consolidated Results

In PHP Billion

Particulars	1H 2019	1H 2018	% Chg	FY 2018	FY 2017	FY2016
Revenue	233.7	204.3	14.4%	449.8	398.0	365.2
Net Income to Parent	23.0	18.1	27.4%	37.1	32.9	31.2
Net Margin (inc-NCI)	15.2%	14.2%	-	13.0%	12.9%	13.1%
Return on Equity	11.7%	-	-	10.9%	10.4%	10.7%

Total Capital	1H 2019	FY 2018	% Chg	FY 2018	FY 2017	FY2016
Counterpart investments	89.5	105.8	-15.5%	105.8	113.3	145.1
Net Debt	296.1	280.1	5.7%	280.1	243.7	174.8
Equity attrib to Parent	369.3	353.4	4.5%	353.4	328.1	300.5
Net Debt:Equity	44:56	44:56	-	44:56	43:57	37:63

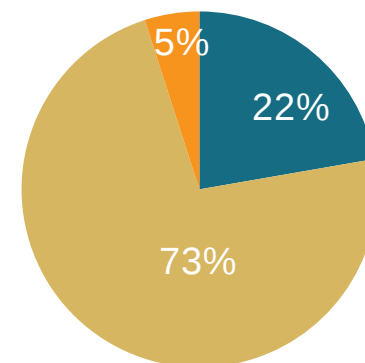
SMIC Parent Debt

Net Debt to Equity	47 : 53	Average Cost of Debt	4.80%
Peso-Foreign Currency Mix	53 : 47	Average Debt Tenure	3.01 years

Recent Bond Offerings

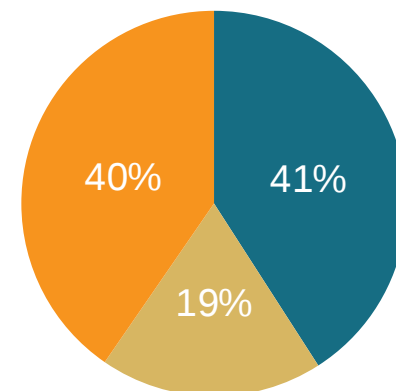
Issued	Amount	Currency	Due Date	Coupon Rate
December 9, 2016	20 bn	Philippine Peso	December 2023	5.159%
June 10, 2014	350 mn	US Dollar	June 2024	4.875%
May 19, 2014	15 bn	Philippine Peso	May 2021/May 2024	5.2958%/5.6125%
July 16, 2012	15 bn	Philippine Peso	Jul 2019/Jul 2022	6.0%/6.9442%
October 17, 2012	500 mn	US Dollar	October 2019	4.25%

Revenue Contribution



Banking business not consolidated

Earnings Contribution



■ Property ■ Retail ■ Banking

Financials: SM Prime

1H 2019 Results

In PHP Billions

Consolidated	1H 2019	1H 2018	% Chg	FY 2018
Revenues	57.0	49.8	15%	104.1
Net Income	19.3	16.6	16%	32.2
Net Margin	33.8%	33.4%	-	30.9%
Return on Equity	14.0%	-	-	12.0%

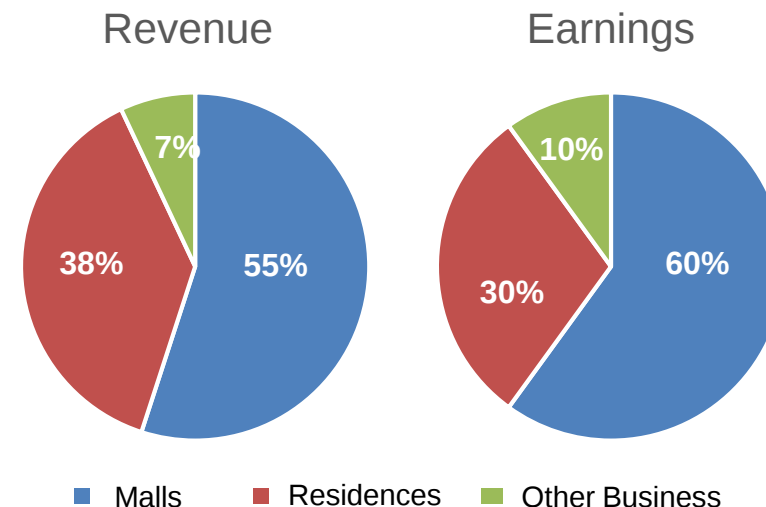
Malls Group	1H 2019	1H 2018	% Chg	FY 2018
Revenues	28.5	26.1	9%	59.3
Operating Income	16.0	14.7	9%	32.3
EBITDA	19.6	17.8	10%	40.0
EBITDA margin	68.7%	68.2%	-	67.5%

Philippines	1H 2019	1H 2018	% Chg	FY 2018
Revenues	28.1	25.8	9%	53.5
Operating Income	15.8	14.5	9%	29.8
EBITDA	19.3	17.6	10%	36.0
EBITDA margin	68.6%	68.2%	-	67.3%

China	1H 2019	1H 2018	% Chg	FY 2018
Revenues	0.4	0.4	7%	5.8
Operating Income	0.2	0.2	11%	2.5
EBITDA	0.3	0.3	13%	4.0
EBITDA margin	76.9%	72.2%	-	69.0%

Residences	1H 2019	1H 2018	% Chg	FY 2018
Revenues	21.4	17.1	26%	36.5
Operating Income	8.1	5.7	43%	12.3
EBITDA	8.2	5.7	42%	12.5
EBITDA margin	38.1%	33.7%	-	34.2%

Other Businesses	1H 2019	1H 2018	% Chg	FY 2018
Revenues	4.6	4.1	13%	8.4
Operating Income	2.4	2.0	18%	4.0
EBITDA	2.9	2.5	18%	5.0
EBITDA margin	63.3%	60.3%	-	59.5%



Financials: BDO

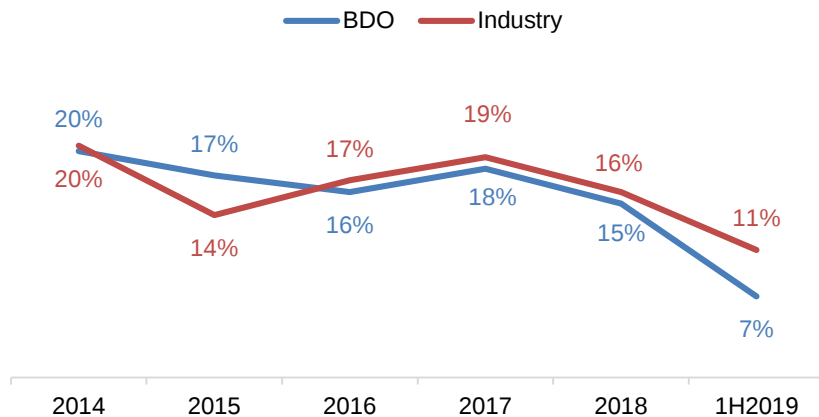
Financial Highlights (In PHP Bn)	1H 2019	1H 2018	% Chg	FY 2018
Net Interest Income	56.9	46.0	23.8%	98.3
Other Income	29.5	22.8	29.5%	49.7
Net Income ¹	20.2	13.1	53.3%	32.7
Assets	3,065.3	2,877.2	6.5%	3,022.2
Deposits	2,399.6	2,323.9	3.3%	2,420.0
Gross Customer Loans	2,043.1	1,914.3	6.7%	2,020.1
Net Interest Margin	3.99%	3.50%	--	3.64%
Cost to Income Ratio	65.4%	68.0%	--	66.3%
Return on Ave. Common Equity ²	12.0%	8.8%	--	10.7%
Gross Loans to Deposits Ratio ³	85.1%	82.4%	--	83.5%
Gross NPL to Gross Customer Loans	1.2%	1.2%	--	1.0%
Total CAR ⁴	14.2%	14.0%	--	13.7%
Tier 1 Ratio	12.9%	12.6%	--	12.3%
CET1	12.6%	12.4%	--	12.1%

Notes:

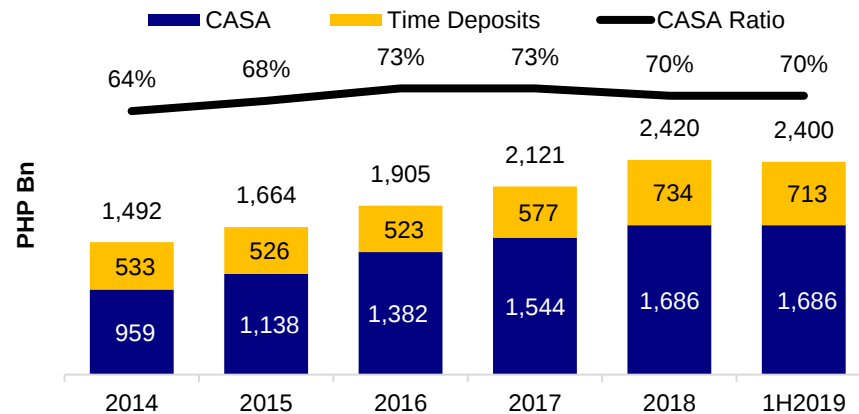
1. Excludes net income attributable to minority interest
2. Return on Ave. Common Equity, defined as annualized NI to parent shareholders less preferred dividends / ave. common equity
3. Gross customer loans to deposits
4. Per BSP, consolidated basis, as seen in the published statements of condition

Financials: BDO

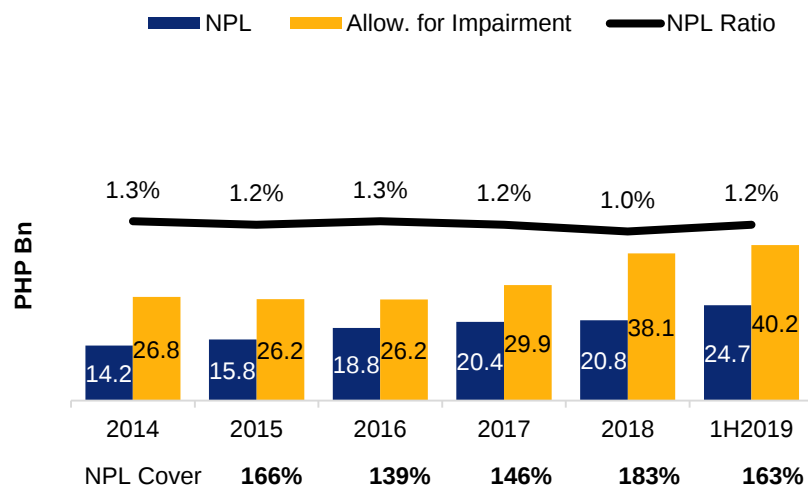
Focused quality loan growth



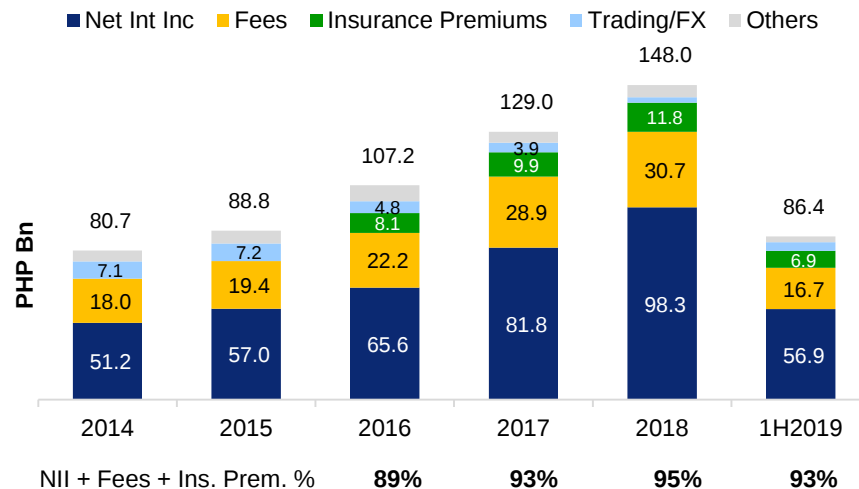
Deposit franchise: Highest CASA ratio



Stable asset quality & high NPL cover



Diversified & sustainable sources of income



Financials: China Bank

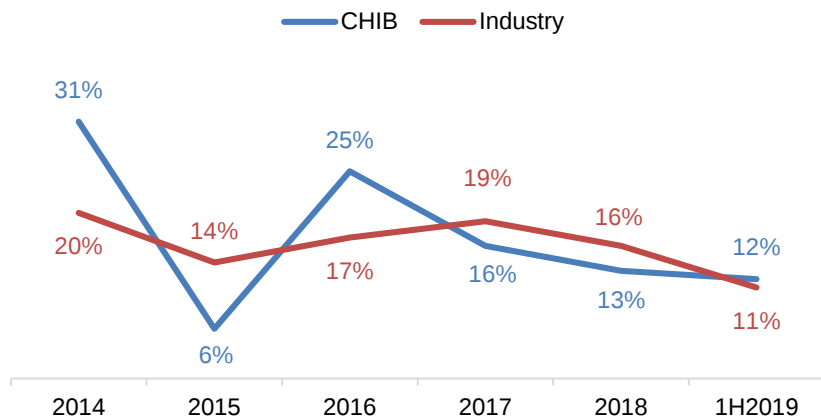
Financial Highlights (In PHP Bn)	1H 2019	1H 2018	% Chg	FY 2018
Net Interest Income	11.7	11.1	6.2%	22.9
Other Income	3.4	2.1	61.3%	5.7
Net Income ¹	4.2	3.6	18.4%	8.1
Assets	908.2	768.4	18.2%	866.1
Deposits	750.1	653.4	14.8%	722.1
Gross Customer Loans	532.8	477.1	11.7%	512.9
Net Interest Margin	3.20%	3.61%	--	3.1%
Cost to Income Ratio	66.2%	65.6%	--	63.2%
Return on Ave. Common Equity ²	9.5%	8.5%	--	9.5%
Gross Loans to Deposits Ratio ³	71.0%	73.0%	--	70.0%
Gross NPL to Gross Customer Loans	1.2%	1.5%	--	1.2%
Total CAR ⁴	13.8%	13.3%	--	13.1%
CET 1	12.9%	12.6%	--	12.2%

Notes:

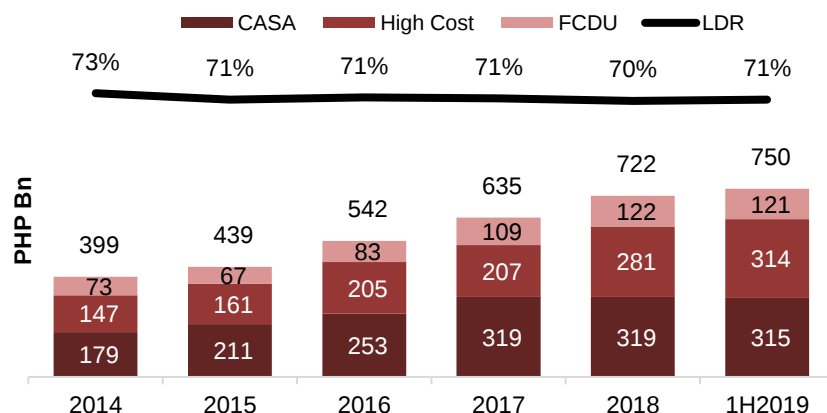
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Financials: China Bank

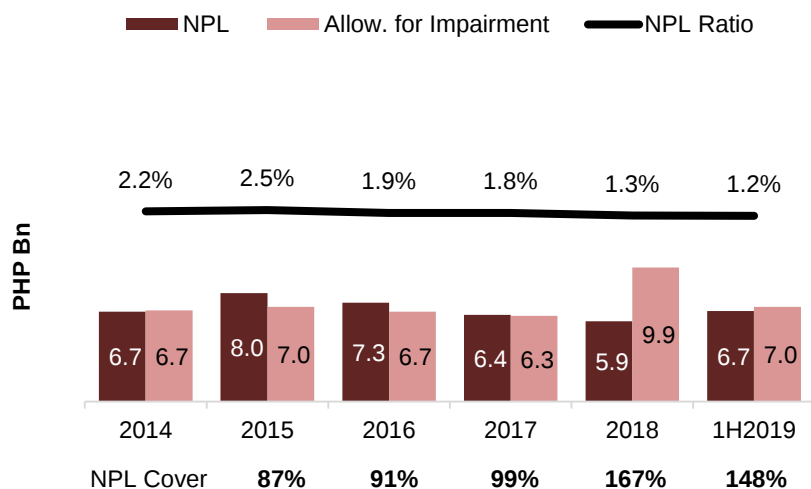
Strong loan growth



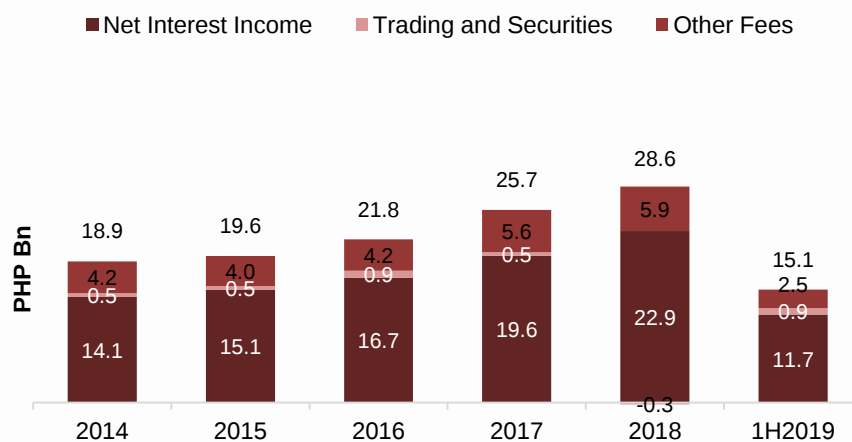
Strong retail funding base



Improving asset quality



Well diversified revenue stream



Contact Information and Disclaimer

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