INNOVATING FOR A BETTER TOMORROW

Investor Presentation

March 2018

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Philippines: Strong Macroeconomic Fundamentals

Young Workforce with Rising Incomes

Strong GDP Growth	Per Capita GDP	Median Age
6.7%	**USD2,987**	**23**
Consumption Driven	**Per Capita GNI**	**Population**
68.7% of GDP	**USD3,590**	**105M** +1.6% p.a.

Opportunities

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

Benign Inflation and Interest Rate Environment

- Avg. Inflation rate: **4.0%** (Jan 2018)
- Avg. lending rate: **5.7%** (Jan 2018)

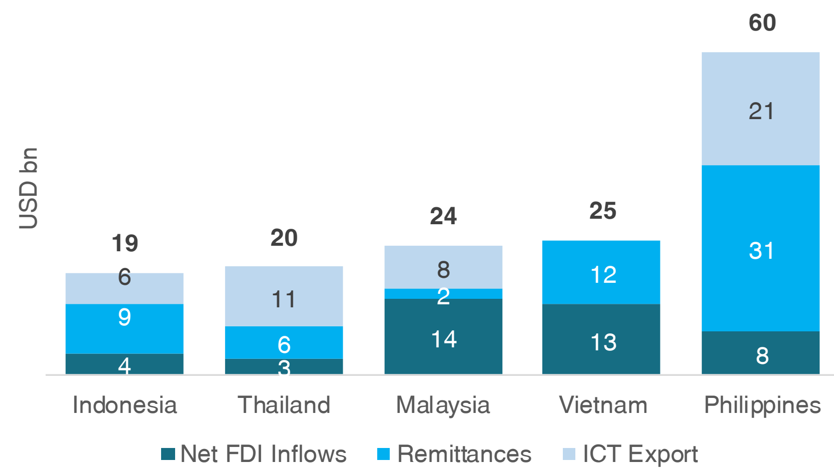
Healthy Fiscal and Monetary System

- Debt/GDP: **42.1%**
- CAR: **15.7%**
- NPLs: **1.2%**
- Net lender to the IMF

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

Source: BSP Selected Economic and Financial Indicators Release as of Mar 02, 2018

Net External Inflows and ICT Exports



Source: The World Bank, Most Recent Data

Government Priorities

10-Point Socio-economic Agenda


Maintain current macroeconomic policies, including fiscal, monetary, and trade policies


Progressive tax management


Pursue investment friendly reforms


Accelerate infrastructure development


Increase agricultural and rural enterprise productivity and rural tourism


Effective land management


Invest in human capital development


Promote science, technology, and the creative arts to enhance innovation and creative capacity


Improve social protection programs for greater social inclusion


Strengthen implementation of the Responsible Parenthood and Reproductive Health Law

2017 Legislative Agenda

1. Enact the 1st package of the Tax Reform Program
2. Pass the National Land Use Act to ban conversion of prime agricultural land to industrial/commercial
3. Enact the Bangsamoro Basic Law
4. Create a Disaster Management Department
5. Review the Mining Act to impose additional penalties on irresponsible mining and require local processing activities
6. Enact a Government Right-sizing Act
7. Amend the Procurement Law to remove the requirement of accepting the lowest bid
8. Set guidelines limiting Restraining Orders on projects of national significance that underwent proper bidding

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. It looks for market leaders that offer synergies and attractive returns and cash flows.

Strong Proxy for Philippine Growth

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

Business Enabler

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

Culture of Sustainability and ESG

- Good governance, entrepreneurship and strong customer focus
- Prudent financial management
- Emphasis on sustainability and community development

Our Investments

Core Investments

Retail

77%
SM RETAIL INC.

- FOOD
- THE SM STORE
- JOINT VENTURES
- SPECIALTY RETAILERS

Banking

45%
BANCO DE ORO

20%
CHINA BANKING CORP.

Property

50%
SM PRIME HOLDINGS, INC.

- MALLS
- RESIDENTIAL
- COMMERCIAL
- HOTELS & CONVENTIONS
- LEISURE & TOURISM

SM Equity Investments

28%
BELLE CORP

34%
ATLAS CONSOLIDATED MINING

90%
NET GROUP

34%
CITYMALL COMMERCIAL CENTERS

30.5%
2GO GROUP

61.2%
MYTOWN

Note: Figures are Effective Interest

SM Group Companies' Rankings

Philippine Conglos
Market Cap (USD bn)

SMIC	**22.5**
Ayala Corp	12.6
JG Summit	8.9
Aboitiz Equity	8.2
SMC	6.4
GT Capital	4.9
LT Group	4.5
Metro Pacific	3.5
DMCI	3.4
Alliance Global	2.9

Source: Bloomberg;
Figures as of Mar 02, 2018

Philippine Retailers
2016 Total Sales (USD mn)

SM Retail	**5,406**
Puregold	2,260
Robinsons	2,114

Philippine Retailers
2016 Store Count

SM Retail	**2,303**
Puregold	329
Robinsons	1,578

Source: Company Information, end-2016

Philippine Banks
Total Resources (USD bn)

BDO	**53.0**
Metrobank	41.8
BPI	38.0
Landbank	32.4
PNB	16.6
Security Bank	15.1
China Bank	**15.0**
UBP	12.4
DBP	12.0
RCBC	11.1

Source: Company Information, FY 2017

Property Developers
Market Cap (USD bn)

SMPH	**20.0**
Ayala Land	11.8
Megaworld	3.0
Robinsons Land	1.9
Vistaland	1.6
Double Dragon	1.4
Filinvest	0.8

Source: Bloomberg;
Figures as of Mar 02, 2018

Our Business Footprint

NCR
- 640 retail outlets
- 23 malls
- 846 bank branches

Luzon
- 695 retail outlets
- 34 malls
- 507 bank branches

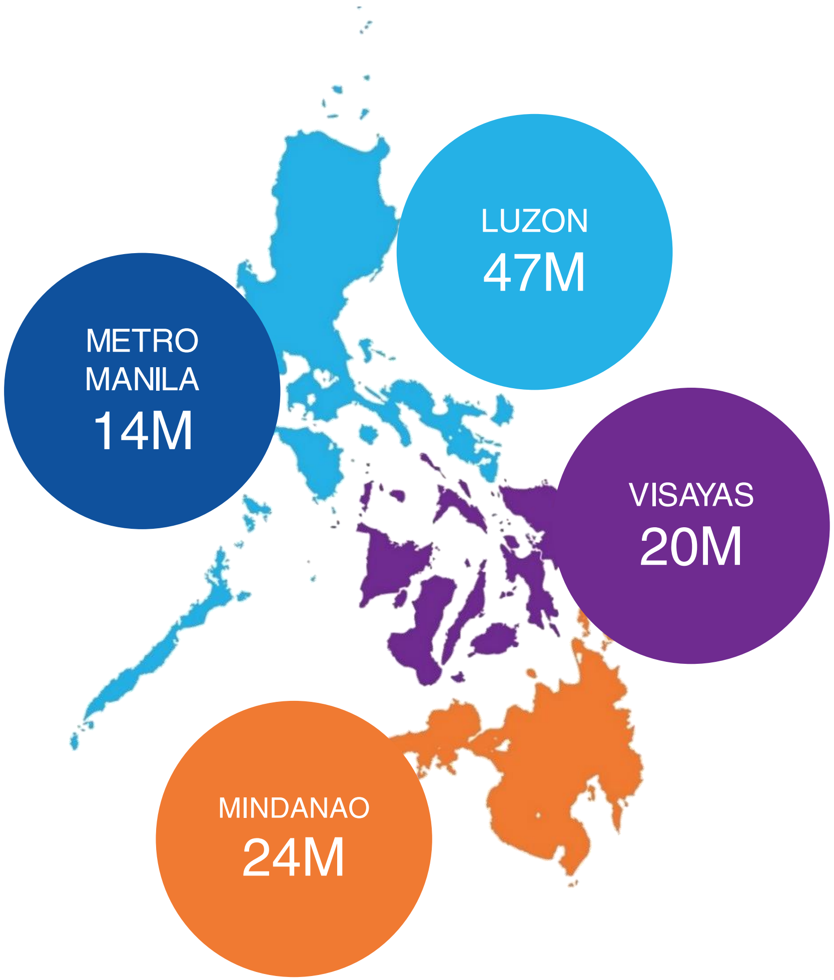
Visayas
- 230 retail outlets
- 5 malls
- 197 bank branches

Mindanao
- 119 retail outlets
- 5 malls
- 225 bank branches

Total Philippines
- 2,032 * retail outlets
- 67 malls
- 1,775 bank branches

Note: Most Recent Data
*Alfamart included, but not in regional breakdown

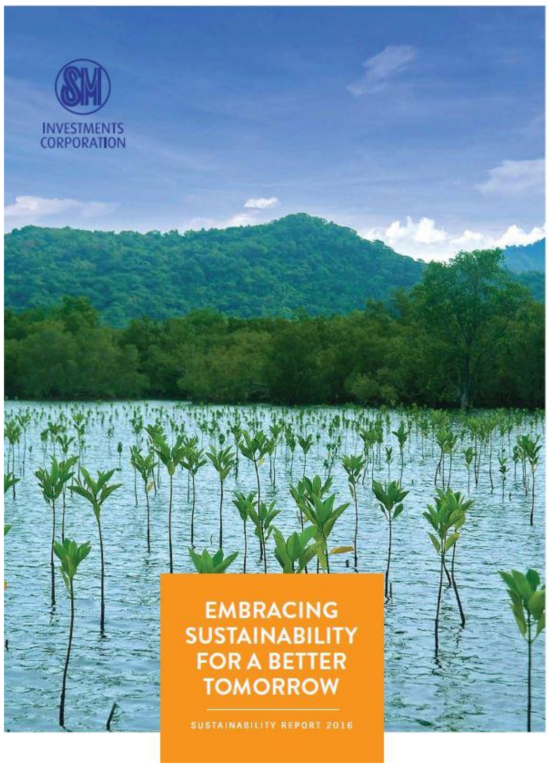
Philippine Population: 105M



Our ESG Culture

As a group, SM is committed to:

- Being a catalyst for development in the communities we serve
- UN Sustainable Development Goals
- Highest Governance standards
- Transparency - Global Reporting Standards



SMIC's 2016 Environmental, Social and Governance Report

We focus on four areas of advocacy:

EDUCATION

1,644 technical-vocational scholars

80 school buildings donated by SM Foundation

30 school buildings donated by BDO Foundation

3,637 college scholars

HEALTH AND WELLNESS

27 rural health centers renovated by BDO Foundation

128 public health centers and medical facilities renovated by SM Foundation

1,238 medical missions conducted nationwide

ZERO HUNGER

15,389 farmers trained from 2,315 barangays in 616 municipalities

ENVIRONMENTAL SUSTAINABILITY

1,000 disaster resilient new homes for victims of typhoon Yolanda (Haiyan)

takes the lead in the UN ARISE for integrating disaster resilience in its businesses

conservation/preservation awareness programs

Strong Leadership

Board of Directors

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

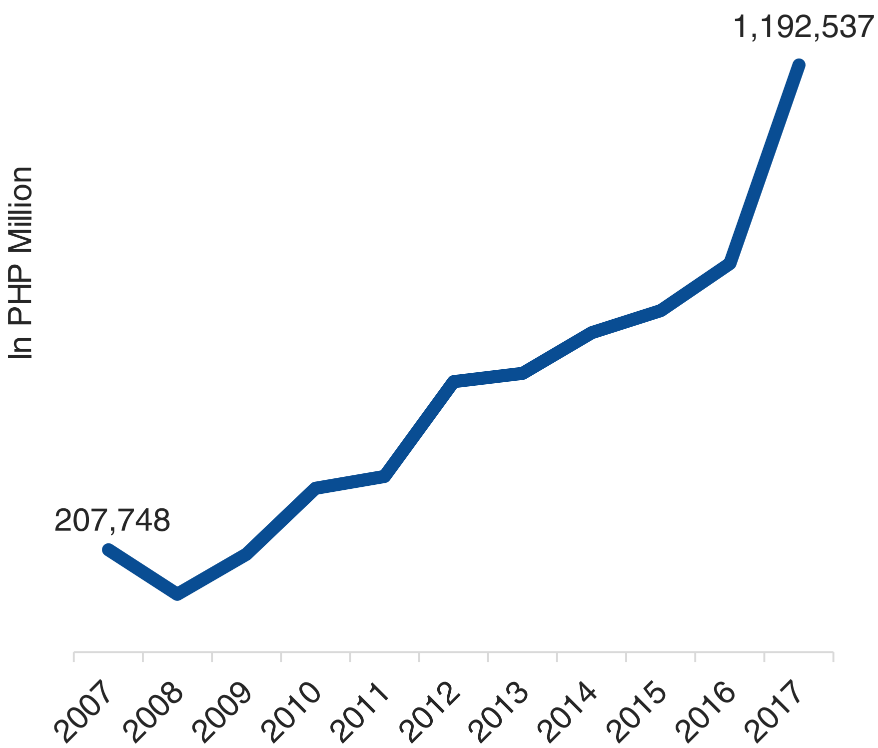
Food Retail

Harley

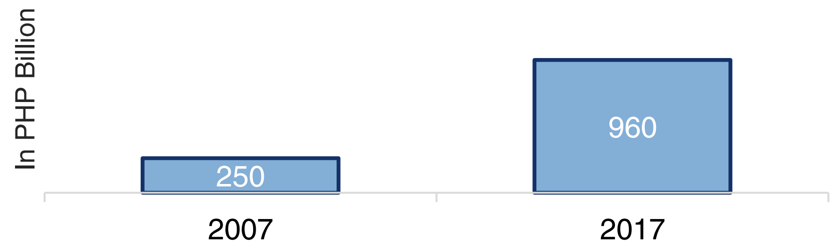
Non-food Retail

10-Year Performance

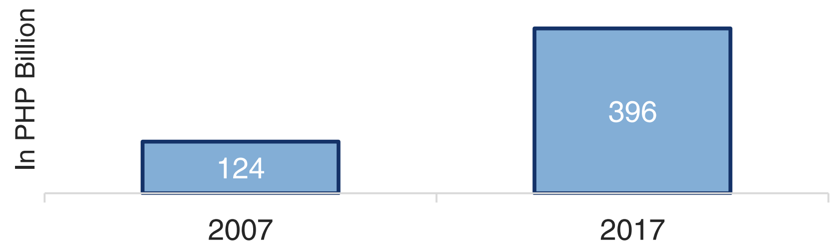
Market Cap grew 19.1% p.a.



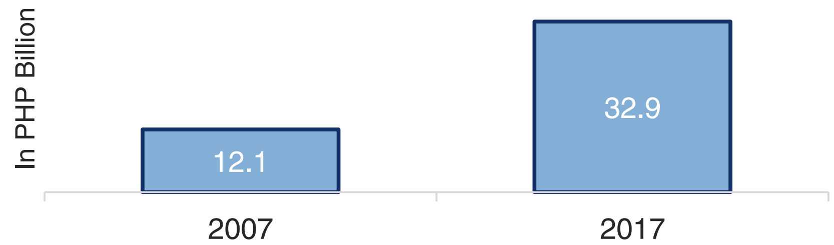
Assets grew at **14.4%** p.a.



Revenue grew at **12.3%** p.a.



Net Income grew at **10.5%** p.a.



Summary of SMIC Recent Performance

Figures in PHP billion except percentages

SM Investments	FY 2017	FY 2016	% Chg
Revenues	396.2	363.4	9.0%
Net Income*	32.9	31.2	5.5%
Net Margin (inc-NCI)	13.0%	13.1%	-
ROE	10.4%	10.7%	-
Net Debt:Equity	43:57	37:63	-

SM Retail	FY 2017	FY 2016	% Chg
Gross Revenues	297.4	277.1	7.3%
Net Income	10.4	10.6	-1.7%
Net Margin (inc-NCI)	4.0%	4.4%	-

BDO	FY 2017	FY 2016	% Chg
Net Interest Income	81.8	65.6	24.6%
Non Interest Income	47.2	41.6	13.4%
Net Income*	28.1	26.2	7.0%

SM Prime	FY 2017	FY 2016	% Chg
Revenues	90.9	79.8	13.9%
Net Income	27.6	23.9	15.5%
Net Margin	30.4%	29.9%	-
ROE	11.0%	11.0%	-
Net Debt:Equity	36 :64	37:63	-

*Excluding one-offs in prior periods, recurring net income grew 8.8% for SMIC and 15% for BDO

Recent Events

Parent

- Issued PHP20B of retail bonds at 5.1590% due 2023 from PHP50B SEC shelf registration
- Participated in full pro-rata share of BDO and China Bank rights offerings

Retail

- Opened 42 food, 2 SM Stores and 159 specialty retailers and affiliates as of end 2017, mostly outside Metro Manila
- Alfamart currently operating over 400 stores

Banking

- BDO completed PHP60B rights offering
- China Bank completed PHP15B rights offering

Property

- 7 malls opened as of end-December 2017
- Issued PHP20B of retail bonds at 5.1683% due 2024 from PHP60B SEC shelf registration

SM Equity Investments

- Acquired 30.5% in 2GO Group
- Acquired 61.2% stake in MyTown

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 & Brick’ Ecommerce opportunity

SM Retail: Footprint Expansion Opportunity

Department Stores	Stores	GSA (sqm)	Average
The SM Store	59	765,556	12,976

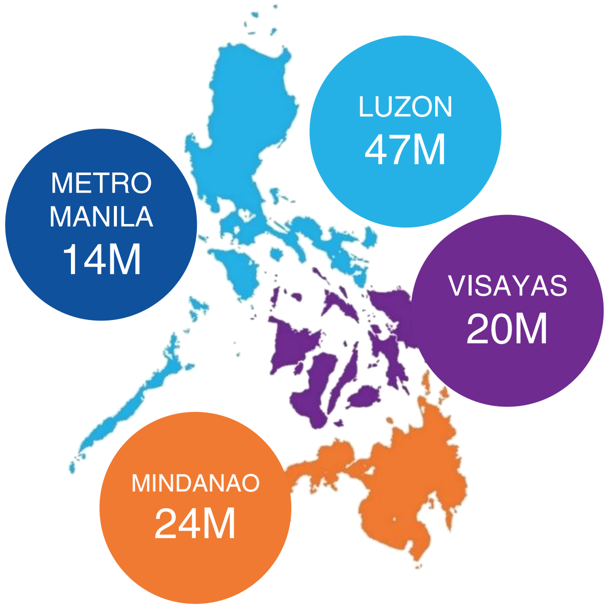
Food	Stores	GSA (sqm)	Average
SM Supermarket	52	345,611	6,646
SM Hypermarket	47	335,009	7,128
SaveMore	181	506,834	2,800
Waltermart	46	125,550	2,729
Alfamart	348	-	-

Specialty Stores*	Outlets	GSA (sqm)	Average
Ace Hardware	169	154,718	915
Homeworld	84	130,835	1,558
Toy Kingdom	142	54,107	381
SM Appliances	80	85,804	1,073
Others	824	123,178	149

	Stores/Outlets	GSA (sqm)
Total	**2,032**	**2,627,202**

*Some outlets located in SM Stores/Food stores

SM Retail Footprint by Region



GSA Share*	
Metro Manila (NCR)	41%
Luzon (ex-NCR)	41%
Visayas	12%
Mindanao	7%

*Excludes Alfamart

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
- 80% consignment / 20% in-house brands
- 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

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

Banking

BDO

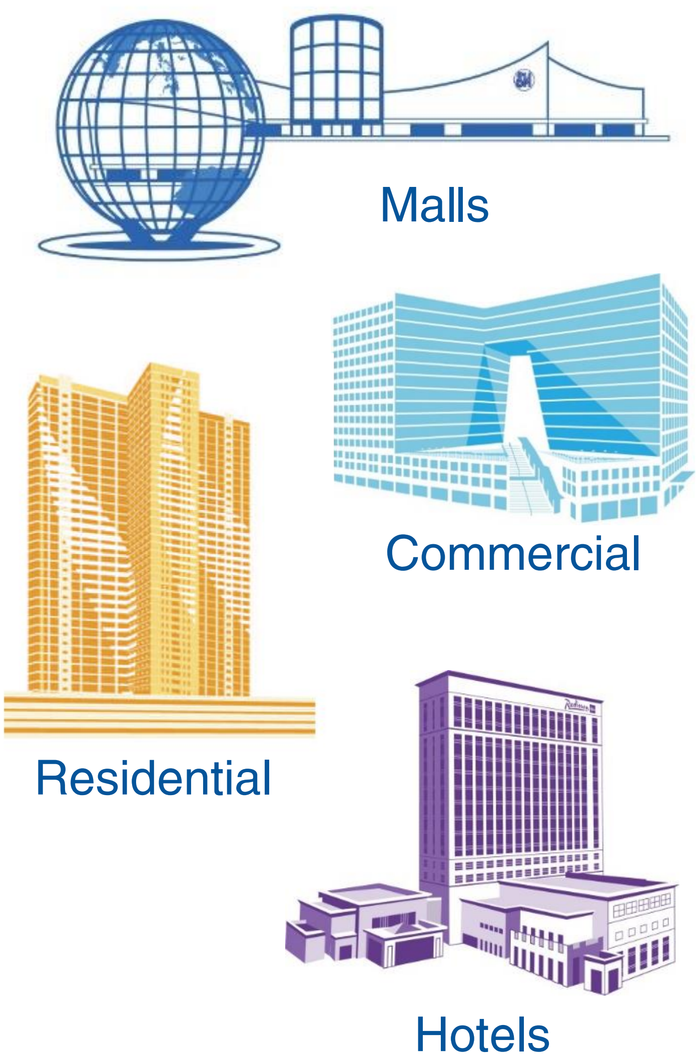
- **Diversified and sustainable earning stream**
  - Client acquisition through branch expansion
  - Drive provincial lending and deposit taking initiatives
  - Expand fee income
- **Operating leverage**
  - Set up operating platform to support future growth
  - Implement digital strategy
- **Prudent 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



SM Prime: An Integrated Property Developer

The Mall of Asia Complex

SM Malls: Overview

Malls

67 Malls Philippines

7 Malls China

Total GFA

8.03M sqm Philippines

1.27M sqm China

Mall Tenants

17,984 Tenants Philippines

1,924 Tenants China

Average Daily Pedestrian Count

3.5M Visitors Philippines

0.2M Visitors China

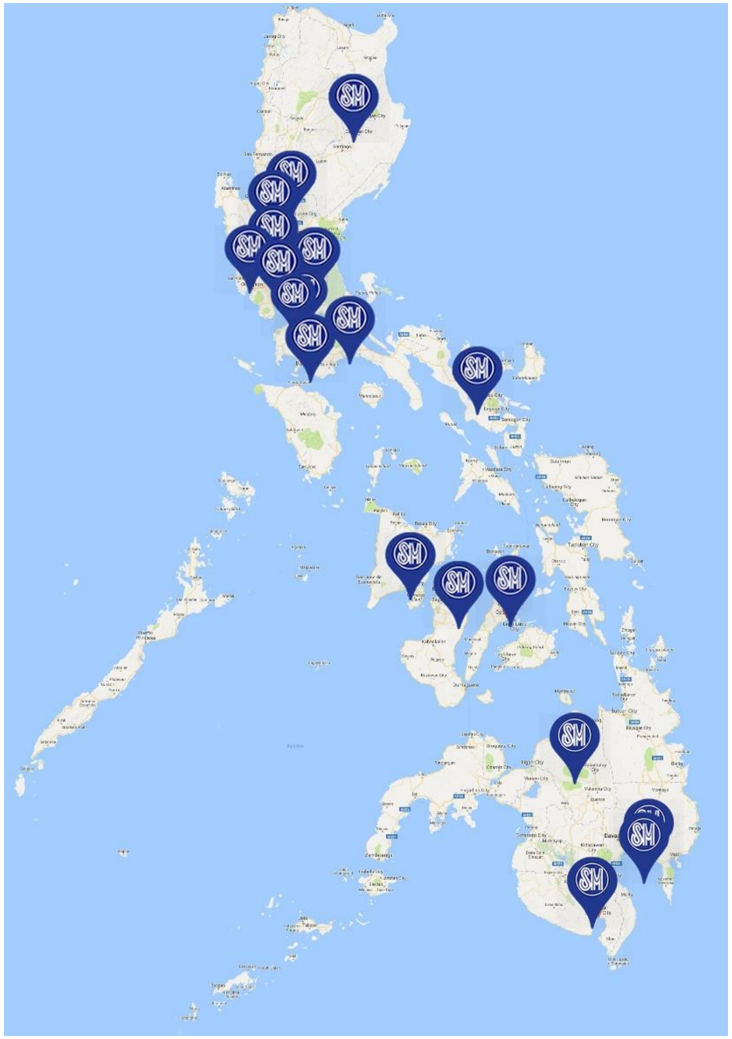
SM Malls: Philippines

Mall Distribution	Malls	GFA (sqm)	% of Total
Metro Manila (NCR)	23	3,430,408	43%
Luzon (ex-NCR)	34	2,841,468	35%
Visayas	5	1,095,303	14%
Mindanao	5	661,147	8%
Total	**67**	**8,028,326**	**100%**

New Malls	Opened	GFA (sqm)
SM Cagayan de Oro	May 2017	169,894
SM Cherry Antipolo	Jun 2017	27,225
S Maison	Jun 2017	42,107
SM Puerto Princesa	Sep 2017	53,203
SM Center Tuguegarao	Oct 2017	33,229
SM Center Lemery	Nov 2017	24,877
SM Center Pulilan	Dec 2017	26,229

Upcoming Malls	
SM Center Imus	SM City Legazpi
SM City Urdaneta	SM City Ormoc
SM City Telabastagan	SM Center Dagupan

Note: Most Recent Data



SM Malls: China

	Existing	Date Opened	GFA (sqm)
	SM Xiamen	2001 December	238,125
	Jinjiang	2005 November	167,830
	Chengdu	2006 October	166,665
	Suzhou	2011 September	72,552
	Chongqing	2012 December	149,429
	Zibo	2015 September	152,093
	Tianjin (partial)	2016 December	321,641
		Total	**1,268,335**

SM Zibo

SM Tianjin

SM INVESTMENTS CORPORATION

SM Residences

- Pioneer in affordable high rise residential developments since 2003
- Extensive amenities and SM Retail facilities
- 49 projects with over 110,000 units launched to date
- Plans to develop 12-15,000 units in multiple formats
  - High rise
  - Mid rise
  - House and lot
- National housing backlog of over 5 million homes

Projects Overview	FY 2017	FY 2016
Reservation Sales (PHP B)	57.8	47.7
Reservation Sales (units)	17,259	16,670

Future Plans	
2018 Planned launches (units)	12,000-15,000
2018 CAPEX	PHP39.2bn

SMDC Land bank	Hectares
Metro Manila	71.84
Outside Metro Manila	484.38
Land for Future Projects	556.22

S Residences

South Residences

SM Residences: Affordable Modern Condo Living

SM Commercial Properties

Completed	GFA (sqm)
Two E-com Center	107,962
Makati Cyber One	22,055
Makati Cyber Two	16,725
SM Cyberwest	41,799
Five E-com Center	141,706
Aura Office Tower	52,837
SMCK BPO Techno Hub	72,973
Total Leasable Area	**456,057**

FourE-Com Center

Five E-Com Center

ThreeE-Com Center

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

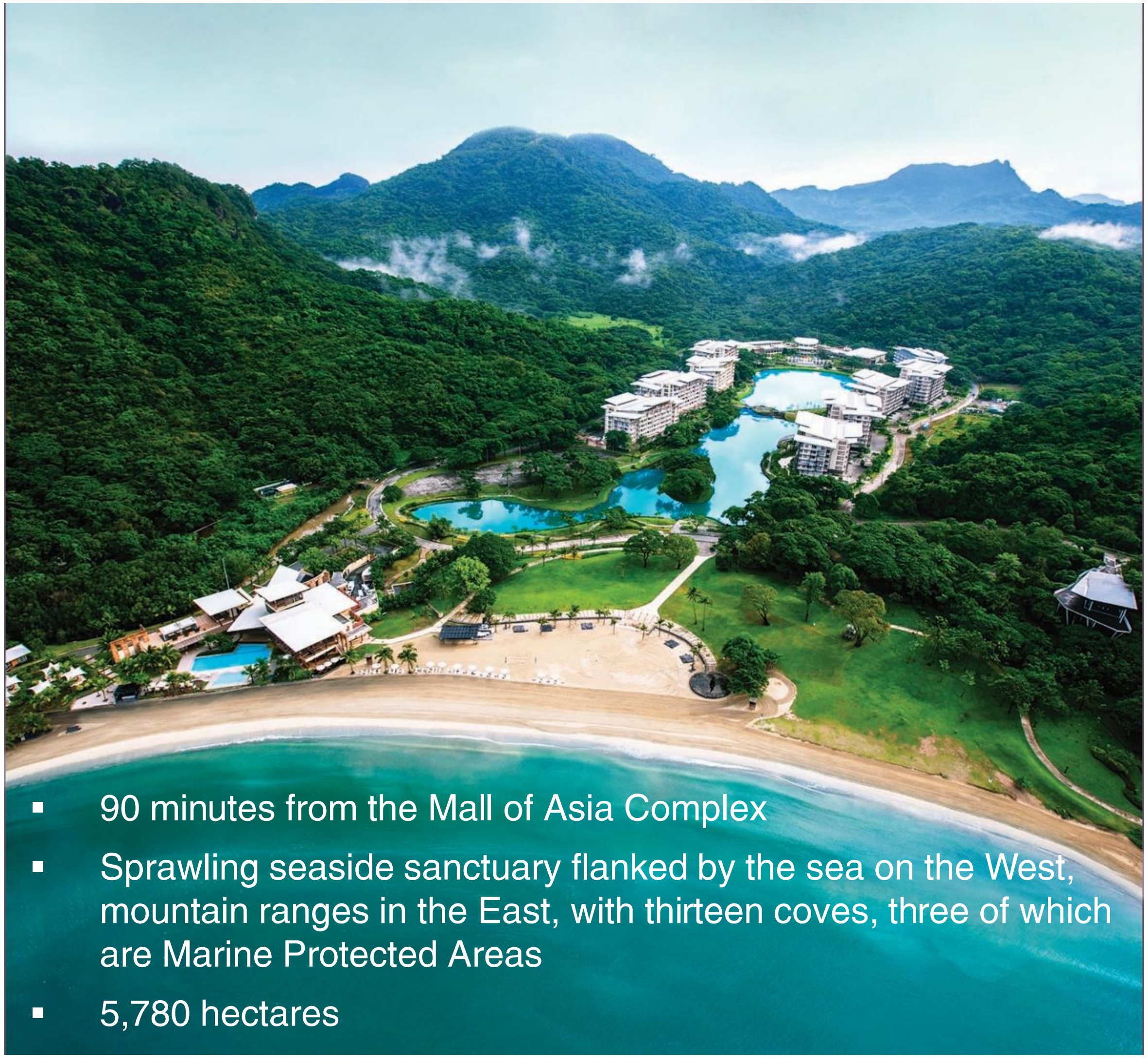
Conrad Manila Lobby

Hotel	Opened	Rooms
Taal Vista, Tagaytay	2003	260
Radisson Blu, Cebu	2010	396
Pico Sands, Hamilo Coast	2011	151
Park Inn, Davao	2013	202
Park Inn, Clark	2015	154
Conrad Manila, Pasay	2016	347
Total		**1,510**

Conrad Manila Diplomatic Suite

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**

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
- 5,780 hectares

SM Equity Investments

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

Mining

Gaming & Leisure

Logistics

Quality Investments:

- Market Leaders
- Synergies
- Attractive Returns and Cash Flows

SM Partnership:

- Access to our Network
- Capital
- Skills and Support

Belle Corporation

- Developer of high-end entertainment and leisure properties
- US$1.3bn City of Dreams Manila,
  operated by Melco
  - Total gross floor area: 310,565 sqm
  - Gaming floor area: 22,507.28 sqm
  - 303 gaming tables
  - 1,774 slot machines and electronic table games
  - Three hotel brands with 937 keys: Crown, Nobu, Hyatt

(In PHP mn)	FY 2017	FY 2016	% Chg
Revenues	8,012	6,322	26.7%
Operating Costs and Expenses	(3,463)	(2,699)	28.3%
Net Operating Income	4,549	3,623	25.6%
Net Income	3,511	3,096	13.4%
Net Margin	44%	49%	-
ROE	12.1%	11.6%	-
Net Debt (Cash) to Equity	0.17 : 1.00	0.14 : 1.00	-

Atlas Consolidated Mining

- Copper mine with 17 years mine life, over 370m tonnes of proved and probable reserves
- Average Cu grade of 0.291%
- Excellent environmental and social record
- Supportive shareholders and other stakeholders
- C1 cost is $1.77/lb Cu

(In PHP mn)	FY 2017	FY 2016	% Chg
Revenues	11,964	12,080	-1%
Total Cash Cost	8,151	8,968	-9%
EBITDA	3,806	3,174	20%
Net Income	(1,968)	(879)	-124%
Core Income	(746)	(1,195)	38%

CityMalls Commercial Corp.

CityMalls	Open	2018	Total
Luzon	7	5	12
Visayas	14	6	20
Mindanao	4	7	11
Philippines	**25**	**18**	**43**

- SM Retail and Banking Footprint: ~55%
  - Savemore, ACE Hardware, Watson's, SM Appliance, Simply Shoes, BDO, Chinabank Savings
- Average Occupancy Rate: 95%
- 18 other sites to commence construction
- Land bank: 60 sites in city centers

Typical Mall Layout

2GO Group

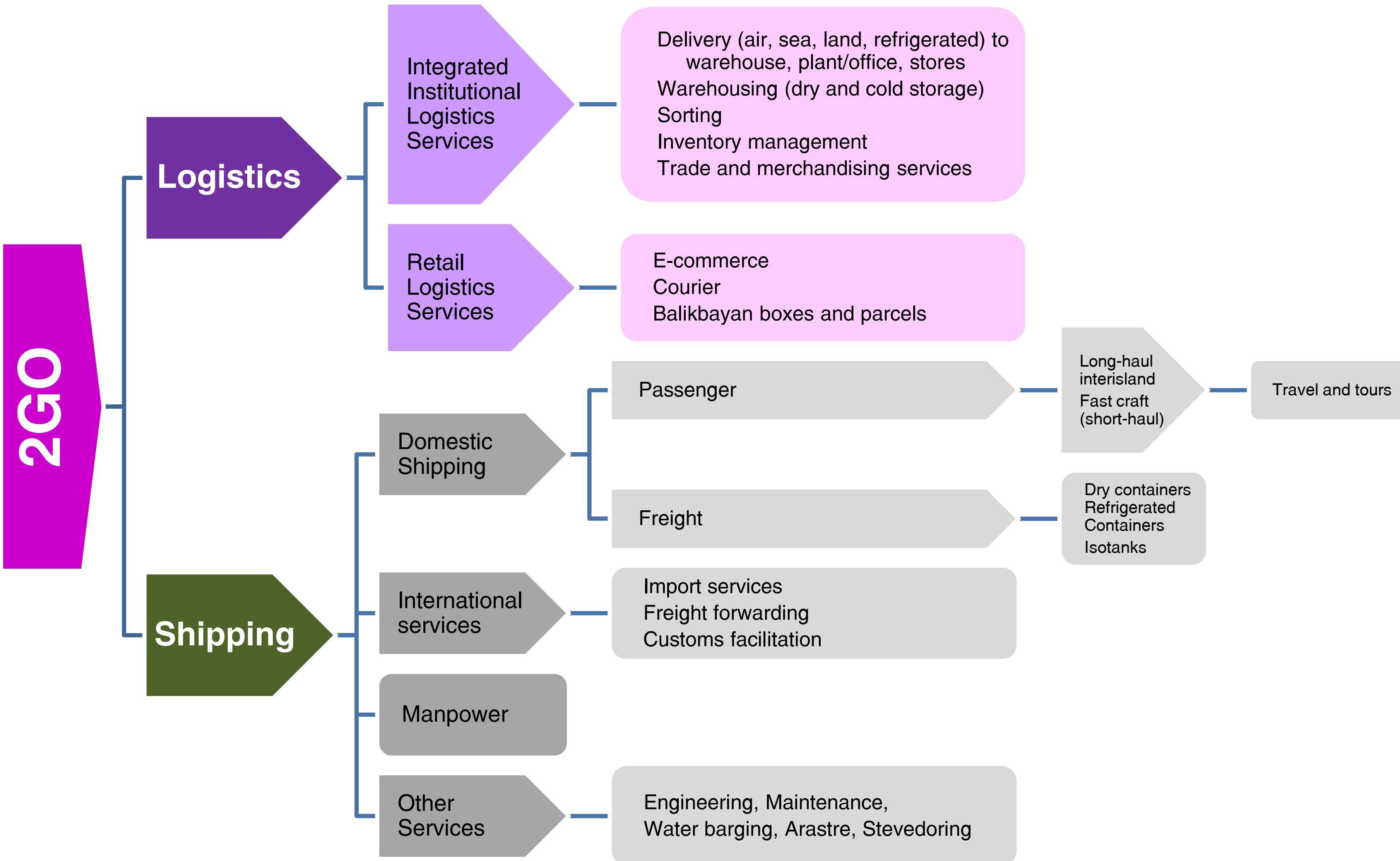
Udenna Corp.	SM Investments Corp.	China ASEAN Marine BV	Others
39.85%	34.50%	25.30%	0.35%

Negros Navigation Corp. (88.3%)

Public (11.7%)

2GO Group, Inc. (30.5%)

2GO Group


2GO
Logistics
Integrated Institutional Logistics Services
Delivery (air, sea, land, refrigerated) to warehouse, plant/office, stores
Warehousing (dry and cold storage)
Sorting
Inventory management
Trade and merchandising services
Retail Logistics Services
E-commerce
Courier
Balikbayan boxes and parcels
Shipping
Domestic Shipping
Passenger
Long-haul interisland
Fast craft (short-haul)
Travel and tours
Freight
Dry containers
Refrigerated Containers
Isotanks
International services
Import services
Freight forwarding
Customs facilitation
Manpower
Other Services
Engineering, Maintenance,
Water barging, Arastre, Stevedoring

2GO Group

- **Premier player in fast growing Philippine logistics sector**
- **Largest integrated supply chain operator**
  - Links to 150 countries, customs clearance
- **Leading transportation provider**
  - Over 90% of domestic passenger freight
  - Over a third of cargo handling
- **Widest logistics infrastructure**
  - 400,000 TEU capacity
  - 16 vessels, 15,000 containers, 35 cross-dock warehouses
  - 185 outlets, 70,000 sqm of distribution center
  - 550 trucks, 1,200 trailers, 250 motorcycles
- **Potential synergies with SM group**
  - Nationwide expansion
  - ECommerce

(In PHP mn)	FY 2017	FY 2016	% Chg
Revenues	21,551	19,054	13.1%
Operating Costs and Expenses	(21,190)	(17,969)	17.9%
Net Operating Income	361	1,085	-66.7%
Net Income Attributable to Parent	(315)	330	-195.5%

SM Group CAPEX and Land Bank

2018 CAPEX	PHP bn	Allocation/Projects
Retail	**5.2**	New stores / Renovations
Banks	**~11.0**	Branch expansion, IT enhancements
Property*	**50.0**	Integrated Lifestyle Developments
Malls	21.0	New SM malls and expansions in Philippines
Residential	23.0	High-rise, mid-rise projects, and Leisure Homes
Commercial	5.0	ThreeE-com and FourE-Com
Hotels and Convention Centers	1.0	Expansion, addition of new hotels
Parent and Others	**0.1**	
Total	**~66.3**	

*Most Recent Data, based on SMPH CAPEX allocation

Land Bank	Area (sqm)
SMIC	57,801,502
SM Prime	13,250,000
Malls	1,540,000
Residential	5,560,000
Commercial	760,000
Leisure Homes	5,390,000
Total	**71,051,502**

Most Recent Data

FINANCIALS

Financials: SMIC

FY 2017 Consolidated Results

In PHP Billion

Particulars	FY 2017	FY 2016	% Chg	FY2016	FY2015	FY2014	FY2013
Revenue	396.2	363.4	9.0%	363.4	332.2	308.8	286.7
Reported Net Income	32.9	31.2	5.5%	31.2	43.7	41.5	40.0
Net Margin (inc-NCI)	13.0%	13.1%	-	13.1%	13.1%	13.5%	14.0%
Return on Equity	10.4%	10.7%	-	10.7%	10.8%	12.1%	n/a

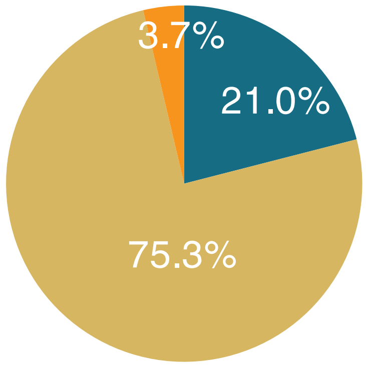
Total Capital	FY 2017	FY 2016	% Chg	FY2016	FY2015	FY2014	FY2013
Counterpart investments	113.3	145.1	-21.9%	145.1	125.0	134.7	120.3
Net Debt	243.7	174.8	39.4%	174.8	156.7	127.5	117.8
Equity attrib to Parent	328.1	300.5	9.2%	300.5	280.0	252.2	219.4
Net Debt:Equity	43:57	37:63	-	37:63	36:64	34:66	36:64

SMIC Parent Debt			
Net Debt to Equity	45 : 55	Average Cost of Debt	5.13%
Peso-Foreign Currency Mix	56 : 44	Average Debt Tenure	3.71 years

Recent Bond Offerings

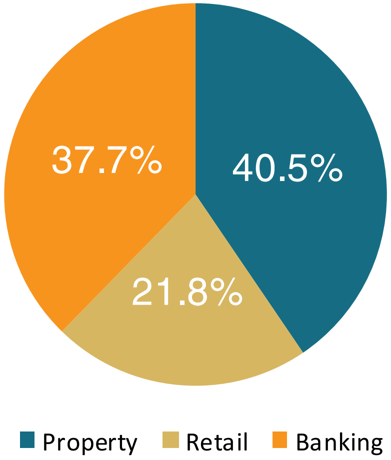
Issued	Amount	Currency	Due Date	Coupon Rate
December 9, 2016	20 bn	Philippine Peso	December 2023	5.159%
June 10, 2014	350 mn	US Dollar	June 2024	4.875%
May 19, 2014	15 bn	Philippine Peso	May 2021/May 2024	5.2958%/5.6125%
July 16, 2012	15 bn	Philippine Peso	Jul 2019/Jul 2022	6.0%/6.9442%
October 17, 2012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

Revenue Contribution



Banking business not consolidated

Earnings Contribution



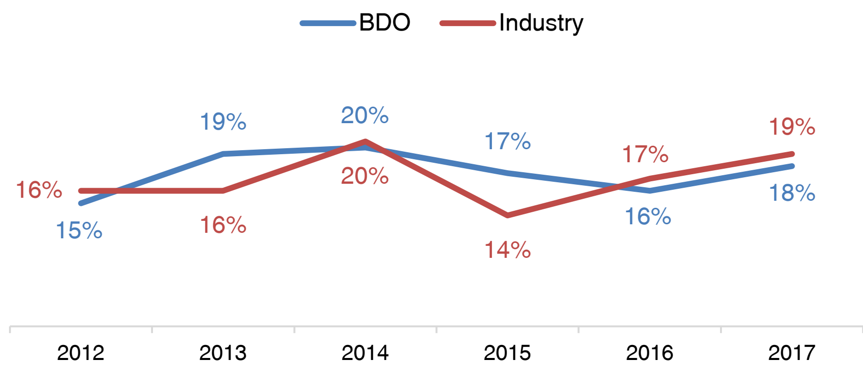
Financials: BDO

Financial Highlights (In PHP Bn)	**FY 2017**	**FY 2016**	**% Chg**
Net Interest Income	81.8	65.6	24.6%
Other Income	47.2	41.6	13.4%
Net Income[1]	28.1	26.2	7.0%
Assets	2,668.1	2,325.0	14.8%
Deposits	2,121.0	1,905.2	11.3%
Gross Customer Loans	1,754.9	1,482.0	18.4%
Net Interest Margin	3.48%	3.24%	--
Cost to Income Ratio	65.8%	65.3%	--
Return on Ave. Common Equity[2]	10.2%	12.7%	--
Gross Loans to Deposits Ratio	82.7%	77.8%	--
Gross NPL to Gross Customer Loans	1.0%	1.1%	--
Total CAR[3]	14.5%	12.3%	--
Tier 1 Ratio	13.1%	10.9%	--
CET1	12.9%	10.6%	--

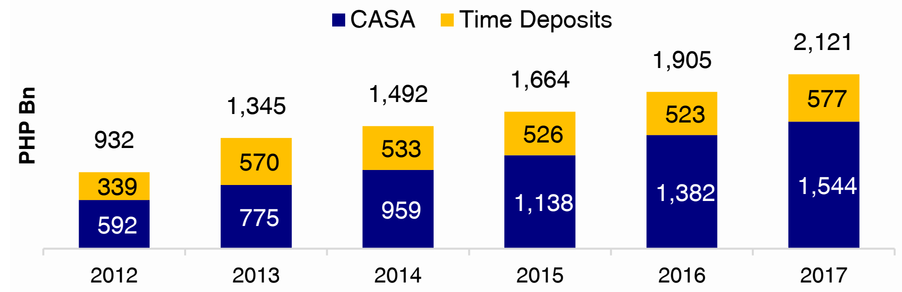
1. Excludes net income attributable to minority interest
2. Return on Ave. Common Equity, defined as NI to parent shareholders less preferred dividends / ave. common equity (excluding preferred shares and minority interests)
3. Per BSP, as seen in the published statements of condition

Financials: BDO

Strong, quality loan growth

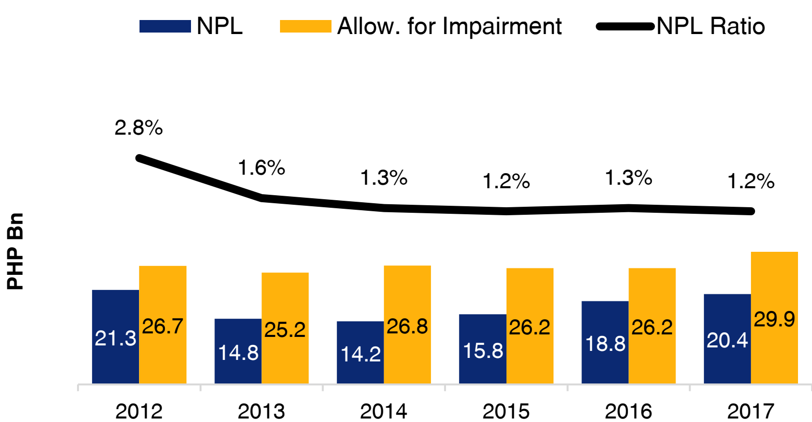


Sustained growth in low-cost deposits



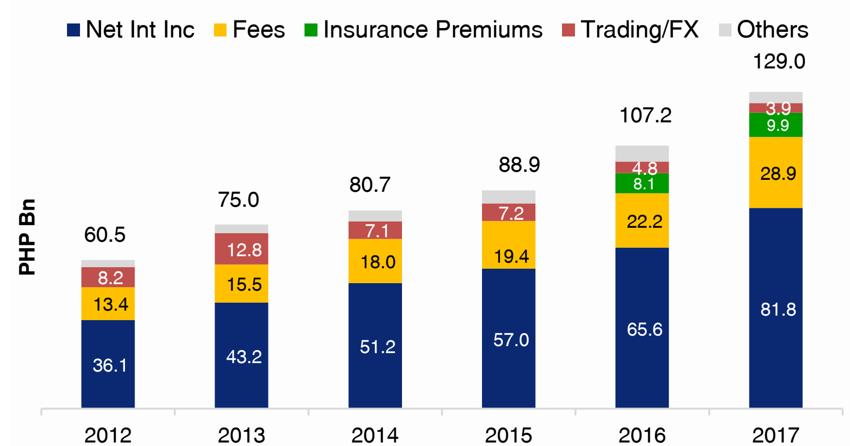
Deposits YoYΔ	**44%**	**11%**	**11%**	**15%**	**11%**
CASA YoYΔ	**31%**	**24%**	**19%**	**21%**	**12%**
CASA Ratio	**58%**	**64%**	**68%**	**73%**	**73%**
Cost of Deposits	**0.96%**	**0.75%**	**0.81%**	**0.77%**	**0.74%**

Improving Asset Quality



NPL Cover	**171%**	**188%**	**166%**	**139%**	**146%**

Growth in sustainable sources of income



YoYΔ Total ex-premiums	**8%**	**10%**	**21%**	**20%**
YoYΔ NII & Fees	**18%**	**10%**	**15%**	**26%**

SM INVESTMENTS CORPORATION

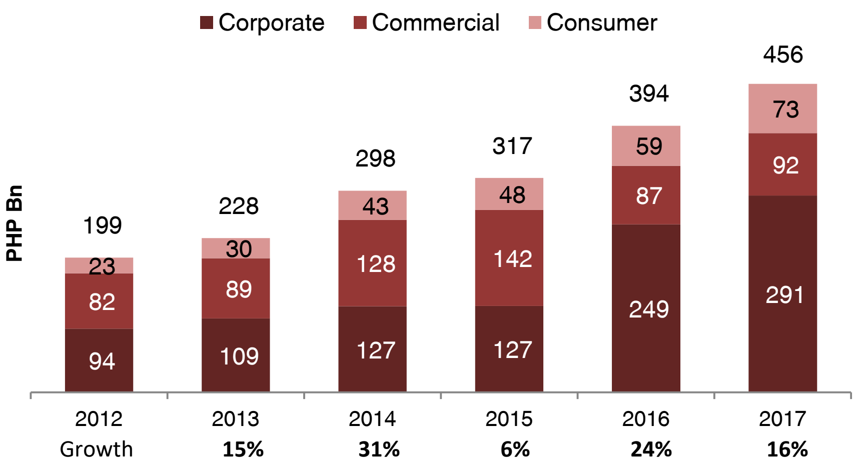
Financials: China Bank

Financial Highlights (In PHP Bn)	**FY 2017**	**FY 2016**	**% Chg**
Net Interest Income	19.6	16.7	17.4%
Non-Interest Income	6.1	5.1	19.6%
Net Income	7.5	6.5	15.4%
Assets	751.4	633.2	18.7%
Deposits	635.1	541.6	17.3%
Gross Customer Loans (ex-UDSCL)	453.9	389.0	16.7%
Net Interest Margin	3.1%	3.2%	--
Cost to Income Ratio	62.0%	61.3%	--
Return on Equity[1]	10.0%	10.4%	--
Gross Customer Loans to Deposits Ratio	70.7%	71.4%	--
Gross NPL Ratio	1.4%	1.9%	--
Total CAR[2]	14.2%	12.2%	--
Tier 1/CET 1	13.5%	11.3%	--

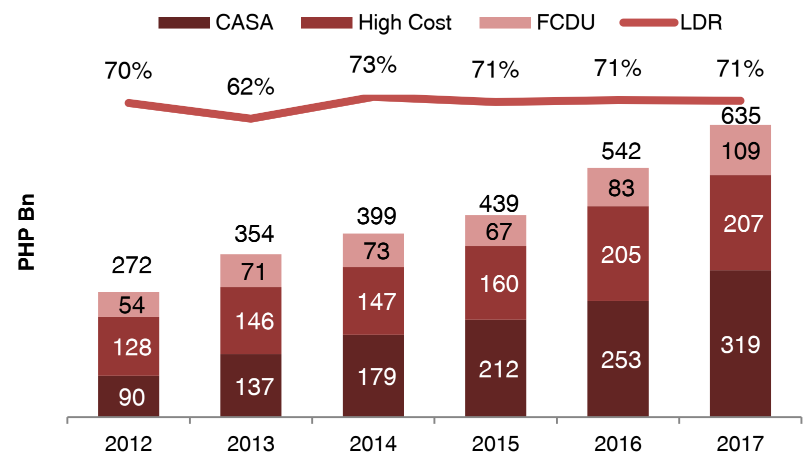
1. Net Income/Average Equity
2. Per BSP, as seen in the published statements of condition

Financials: China Bank

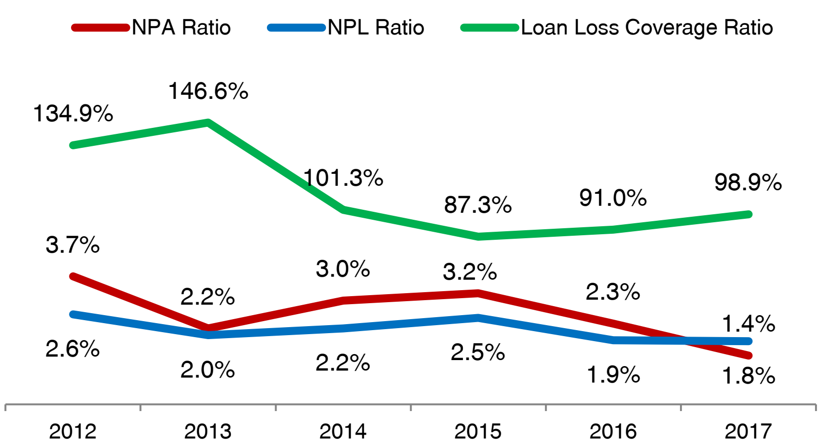
Loan growth above industry



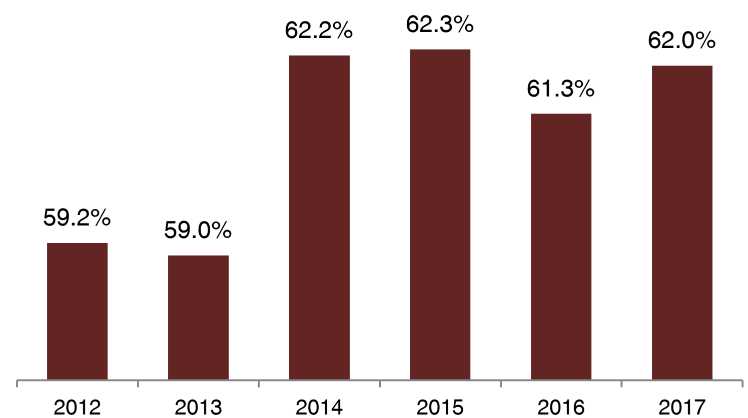
Strong retail funding base



Improving Asset Quality



Improving Cost to Income Ratio



Financials: SM Prime

FY 2017 Results

In PHP Billions

Consolidated	FY 2017	FY 2016	% Chg
Revenues	90.9	79.8	13.9%
Net Income	27.6	23.8	15.8%
Net Margin	30.4%	29.8%	-
Return on Equity	11%	11%	-

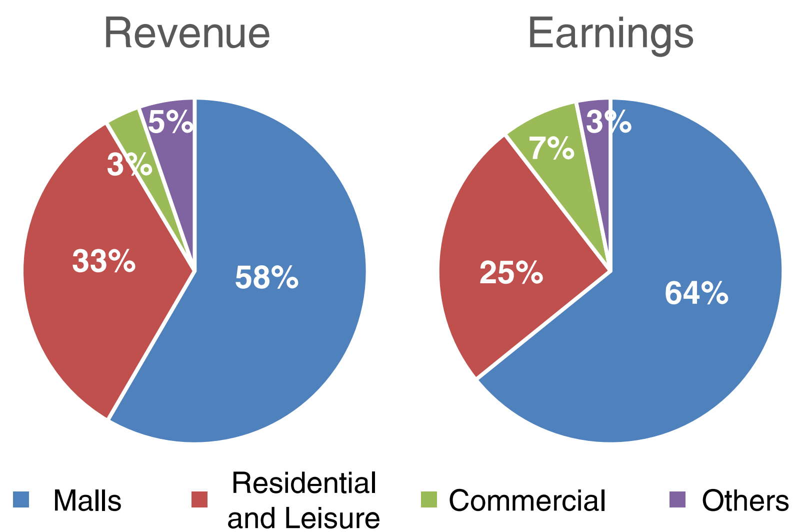
Malls Group	FY 2017	FY 2016	% Chg
Revenues	53.2	48.6	9.4%
Operating Income	28.4	25.8	10.2%
EBITDA	35.6	32.1	11.1%
EBITDA margin	*67.0%*	*66.0%*	-

Philippines	FY 2017	FY 2016	% Chg
Revenues	48.4	44.5	8.8%
Operating Income	26.7	24.3	9.8%
EBITDA	32.6	29.7	9.9%
EBITDA margin	*67.4%*	*66.7%*	-

China	FY 2017	FY 2016	% Chg
Revenues	4.8	4.1	16.7%
Operating Income	1.7	1.5	14.8%
EBITDA	3.0	2.4	27.1%
EBITDA margin	*63.7%*	*58.5%*	-

Commercial	FY 2017	FY 2016	% Chg
Revenues	3.1	2.7	11.8%
Operating Income	2.5	2.1	16.9%
EBITDA	2.9	2.5	14.8%
EBITDA margin	*93.5%*	*92.6%*	-

Resi and Leisure	FY 2017	FY 2016	% Chg
Revenues	30.0	25.4	18.2%
Operating Income	8.9	7.1	24.4%
EBITDA	9.0	7.3	24.0%
EBITDA margin	*30.0%*	*28.7%*	-



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