



INNOVATING FOR A BETTER TOMORROW

Investor Presentation
November 2017

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Philippines: Strong Macroeconomic Fundamentals

Young Workforce with Rising Incomes

Strong GDP Growth 6.4%	Per Capita GDP USD3,023	Median Age 23
Consumption Driven 67.7% of GDP	Per Capita GNI USD3,643	Population 101M +1.7% p.a.

Benign Inflation and Interest Rate Environment

- Avg. Inflation rate: **3.1%** (Jan-Sep 2017)
- Avg. lending rate: **5.6%** (Jan-Sep 2017)

Healthy Fiscal and Monetary System

- Debt/GDP: **42.5%**
- CAR: **15.8%**
- NPLs: **1.5%**
- Net lender to the IMF

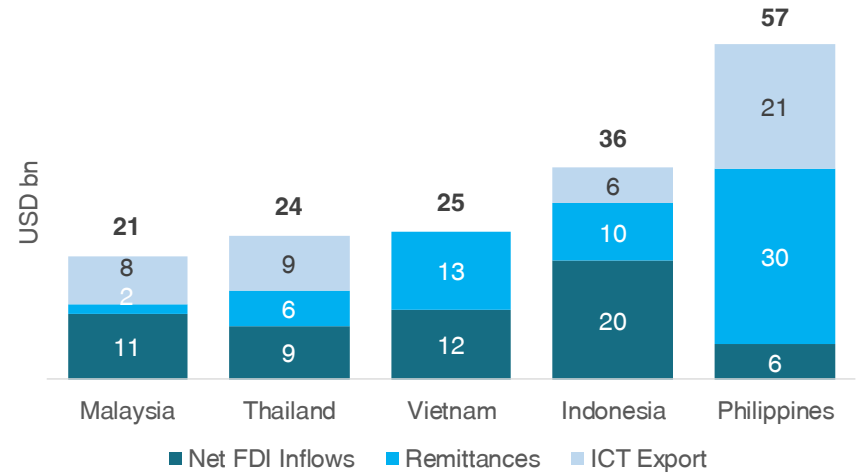
Current Credit Ratings	
S&P	BBB Stable
Moody's	Baa2 Positive
Fitch	BBB- Positive

Source: BSP Selected Economic and Financial Indicators
Release as of Oct 6, 2017

Opportunities

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

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

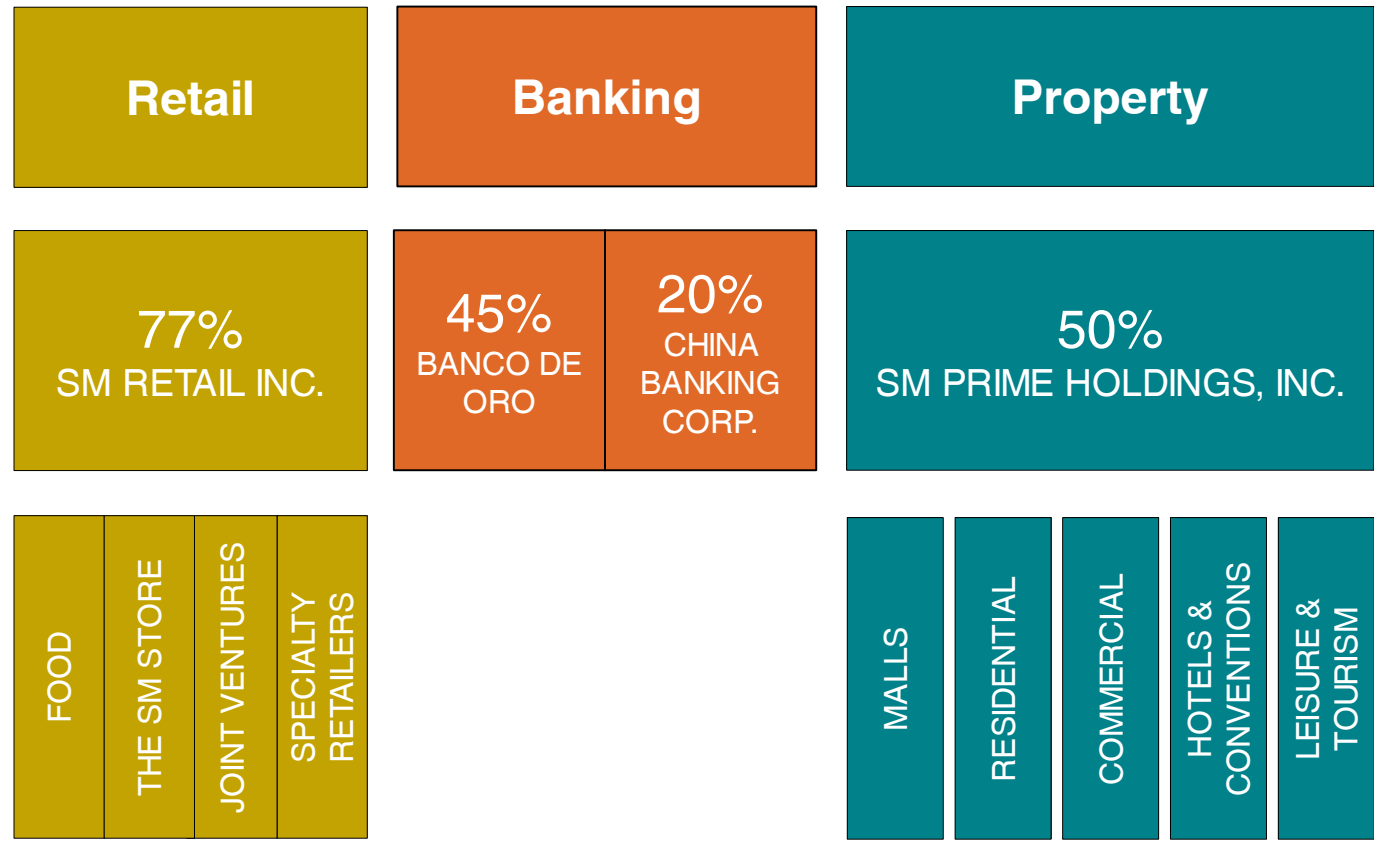
- Partner of choice
- Access to capital and SM's vast network of businesses, customers, tenants and suppliers
- Strong management commitment to partner success

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



SM Equity Investments



Note: Figures are Effective Interest

SM Group Companies' Rankings

Philippine Conglos

Market Cap (USD bn)

SMIC	23.1
Ayala Corp	12.5
JG Summit	10.1
Aboitiz Equity	7.7
SMC	5.1
GT Capital	4.4
Metro Pacific	4.1
LT Group	3.9
DMCI	3.8
Alliance Global	3.2

Source: Bloomberg;
Figures as of Nov 21, 2017

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	49.6
Metrobank	39.6
BPI	34.3
Landbank	29.8
PNB	16.4
Security Bank	15.5
China Bank	13.1
UBP	11.0
RCBC	10.8
DBP	10.8

Source: Company Information, 2Q 2017

Property Developers

Market Cap (USD bn)

SMPH	20.1
Ayala Land	12.2
Megaworld	3.6
Robinsons Land	1.9
Double Dragon	1.7
Vistaland	1.5
Filinvest	0.9

Source: Bloomberg;
Figures as of Nov 21, 2017

Our Business Footprint

NCR

- 832 retail outlets
- 23 malls
- 819 bank branches

Luzon

- 938 retail outlets
- 32 malls
- 490 bank branches

Visayas

- 298 retail outlets
- 5 malls
- 195 bank branches

Mindanao

- 159 retail outlets
- 5 malls
- 222 bank branches

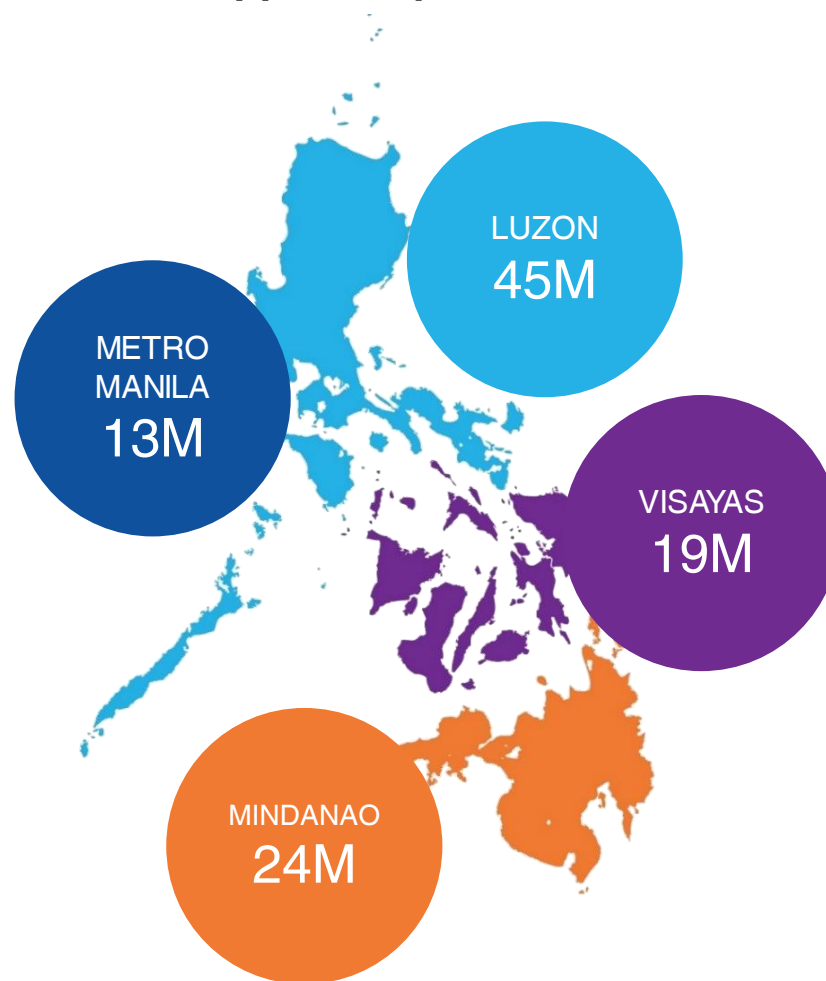
Total Philippines

- 2,547* retail outlets
- 65 malls
- 1,726 bank branches

Note: Most Recent Data

*Alfamart included, but not in regional breakdown

Philippine Population: 101M



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

We focus on four areas:

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



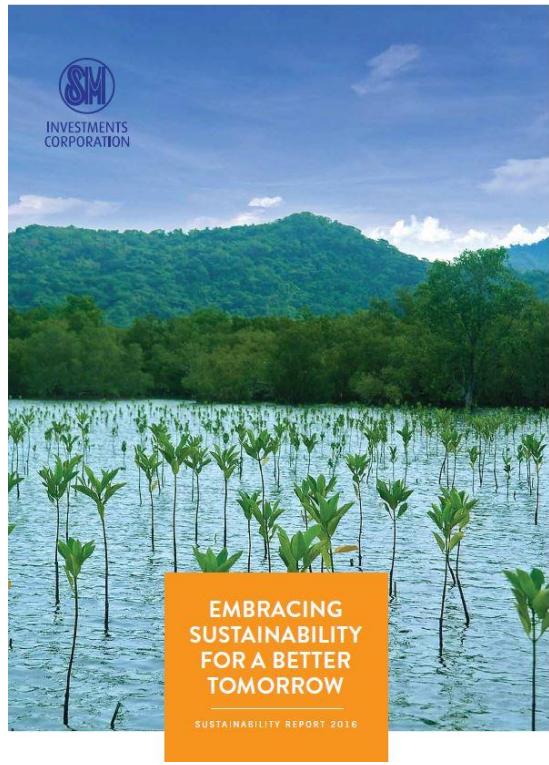
ENVIRONMENTAL SUSTAINABILITY



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



SMIC's 2016 Environmental, Social and Governance Report

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

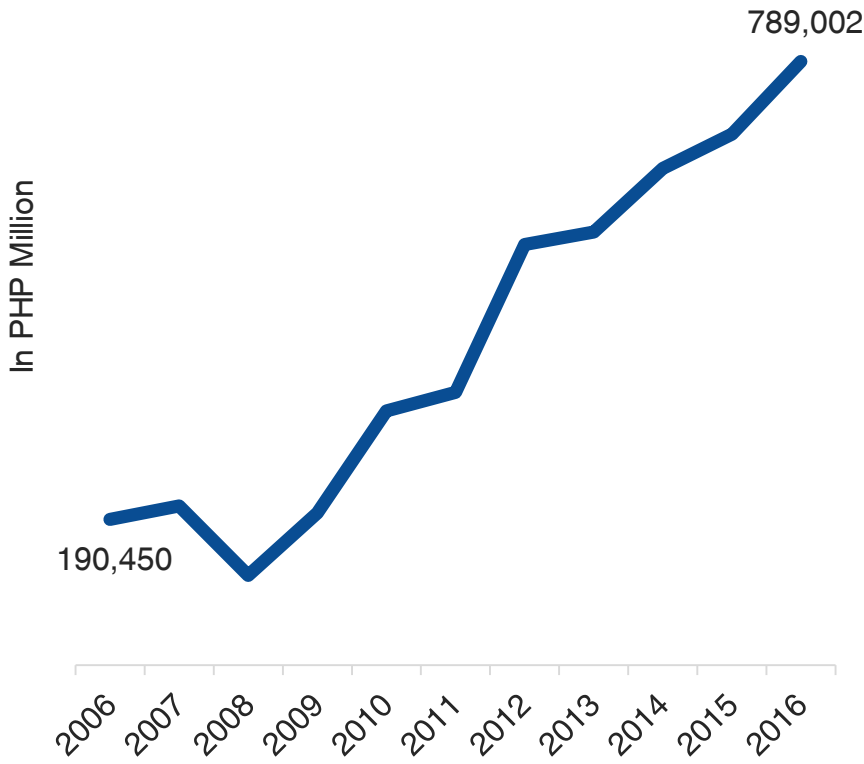
Harley



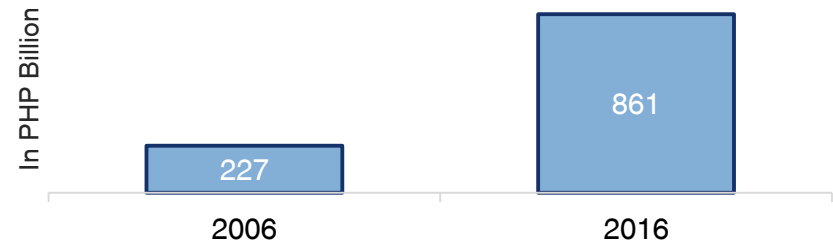
Non-food Retail

10-Year Performance

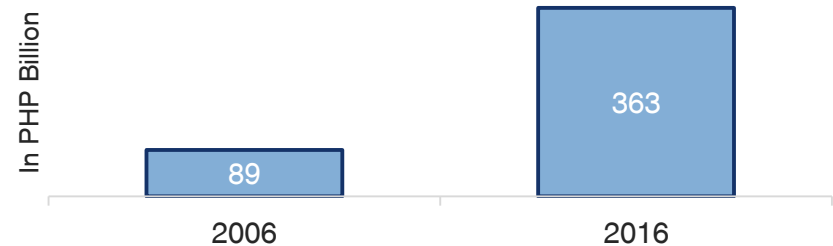
Market Cap grew 15.3% p.a.



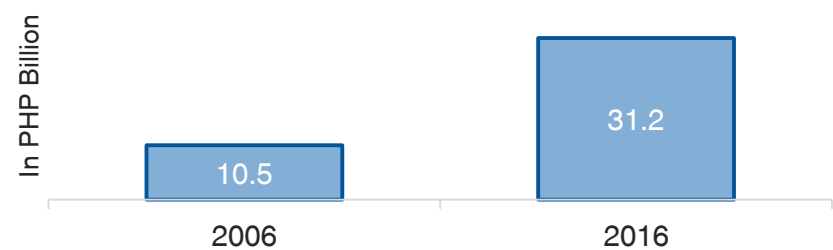
Assets grew at 14.3% p.a.



Revenue grew at 15.1% p.a.



Net Income grew at 11.5% p.a.



Summary of SMIC Recent Performance

Figures in PHP billion except percentages

SM Investments	9M 2017	9M 2016	% Chg	FY2016
Revenues	272.2	252.7	7.7%	362.8
Net Income*	23.8	22.0	8.1%	31.2
Net Margin (inc-NCI)	13.7%	13.4%	-	13.2%
ROE	10.7%	10.7%	-	10.7%
Net Debt:Equity	43:57	39:61	-	37:63

SM Retail	9M 2017	9M 2016	% Chg	FY2016
Gross Revenues	202.6	190.0	6.6%	276.5
Net Income	7.7	7.0	10.0%	10.6
Net Margin (inc-NCI)	4.3%	4.2%	-	4.4%

BDO	9M 2017	9M 2016	% Chg	FY2016
Net Interest Income	59.8	48.4	23.4%	65.6
Non Interest Income	34.8	31.8	9.3%	41.6
Net Income*	20.4	19.3	5.4%	26.1

SM Prime	9M 2017	9M 2016	% Chg	FY2016
Revenues	64.7	57.8	12.0%	79.8
Net Income	20.0	17.5	14.9%	23.8
Net Margin	31.0%	30.2%	-	29.8%
ROE	11.0%	11.0%	-	11.0%
Net Debt:Equity	38 :62	37:63	-	37:63

*Excluding one-offs in prior periods, recurring net income grew 13% for SMIC and 17% 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 26 food, 2 SM Stores and 131 specialty retailers and affiliates as of end-September 2017, 88% of openings outside Metro Manila
- Alfamart currently operating over 330 stores

Banking

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

Property

- 5 malls opened as of end-September 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
- Belle Corp. 9M 2017 Recurring Earnings up 64%

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
 - 88% 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

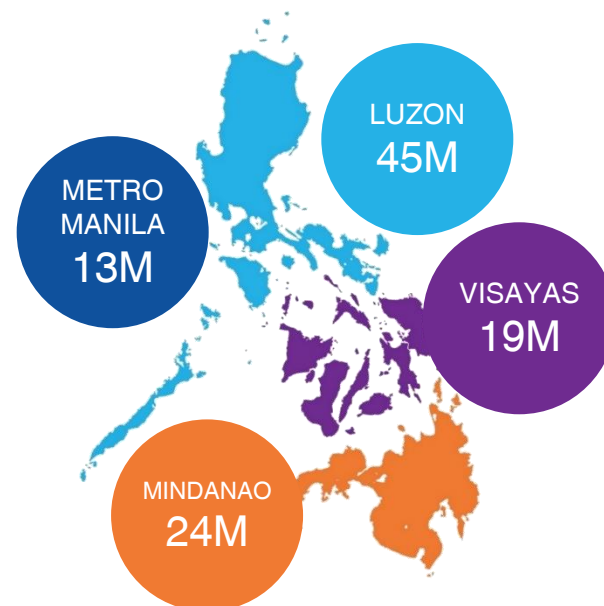
SM Retail: Footprint Expansion Opportunity

Department Stores	Stores	GSA (sqm)	Average
The SM Store	59	768,703	13,029
Food	Stores	GSA (sqm)	Average
SM Supermarket	51	342,258	6,711
SM Hypermarket	44	331,463	7,533
SaveMore	174	494,823	2,844
Waltermart	41	114,164	2,784
Alfamart	320	-	-
Specialty Stores*	Outlets	GSA (sqm)	Average
Ace Hardware	159	154,348	971
Homeworld	84	130,735	1,556
Toy Kingdom	133	53,340	401
SM Appliances	76	82,837	1,090
Others	779	103,470	133
Subtotal	1,920	2,576,141	1,342
Affiliates**	627	164,455	262
Stores/Outlets		GSA (sqm)*	
Grand Total	2,547	2,740,596	

*Some outlets located in SM Stores/Food stores

**Brands where SM holds minority ownership

SM Retail Footprint by Region



GSA Share*

Metro Manila (NCR)	41%
Luzon (ex-NCR)	40%
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



Malls



Residential



Commercial



Hotels

SM Prime: An Integrated Property Developer

The Mall of Asia Complex



SM Malls: Overview

Malls



65 Malls Philippines

7 Malls China

Mall Tenants



17,230 Tenants Philippines

1,867 Tenants China

Total GFA



7.98M sqm Philippines

1.27M sqm China

Average Daily Pedestrian Count



3.5M Visitors Philippines

0.2M Visitors China

SM Malls: Philippines

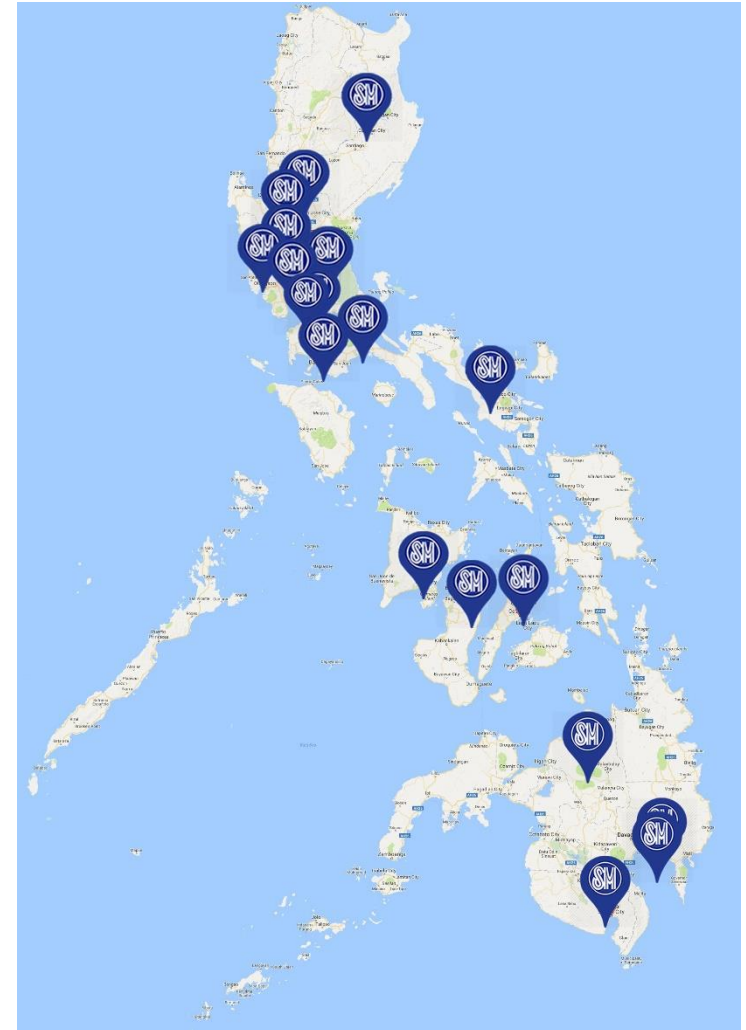
Mall Distribution	Malls	GFA (sqm)	% of Total
Metro Manila (NCR)	23	3,430,408	43%
Luzon (ex-NCR)	32	2,790,362	35%
Visayas	5	1,095,303	14%
Mindanao	5	661,147	8%
Total	65	7,977,219	100%

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

Upcoming Malls

SM Center Lemery	SM City Ormoc
SM Center Pulilan	SM Center Dagupan
SM City Legazpi	SM City Roxas
SM City Urdaneta	SM City Butuan
SM City Telabastagan	

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 Residences

- Pioneer in affordable high rise residential developments since 2003
- Extensive amenities and SM Retail facilities
- 44 projects with over 100,000 units launched to date
- Plans to develop 15-20,000 units in multiple formats
 - High rise
 - Mid rise
 - House and lot
- National housing backlog of over 5 million homes

Projects Overview

	9M 2017	FY 2016
Reservation Sales (PHP B)	42.1	47.7
Reservation Sales (units)	12,963	16,670

Future Plans

2017 Planned launches (units)	15,000-18,000
2018 CAPEX	PHP39.2bn

SMDC Land bank

	Hectares
Metro Manila	67.16
Outside Metro Manila	397.38
Land for Future Projects	464.54

S Residences



South Residences



SM Residences: Affordable Modern Condo Living



SM Commercial Properties

Completed	GLA (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
Total Leasable Area	383,084

Five E-Com Center



FourE-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



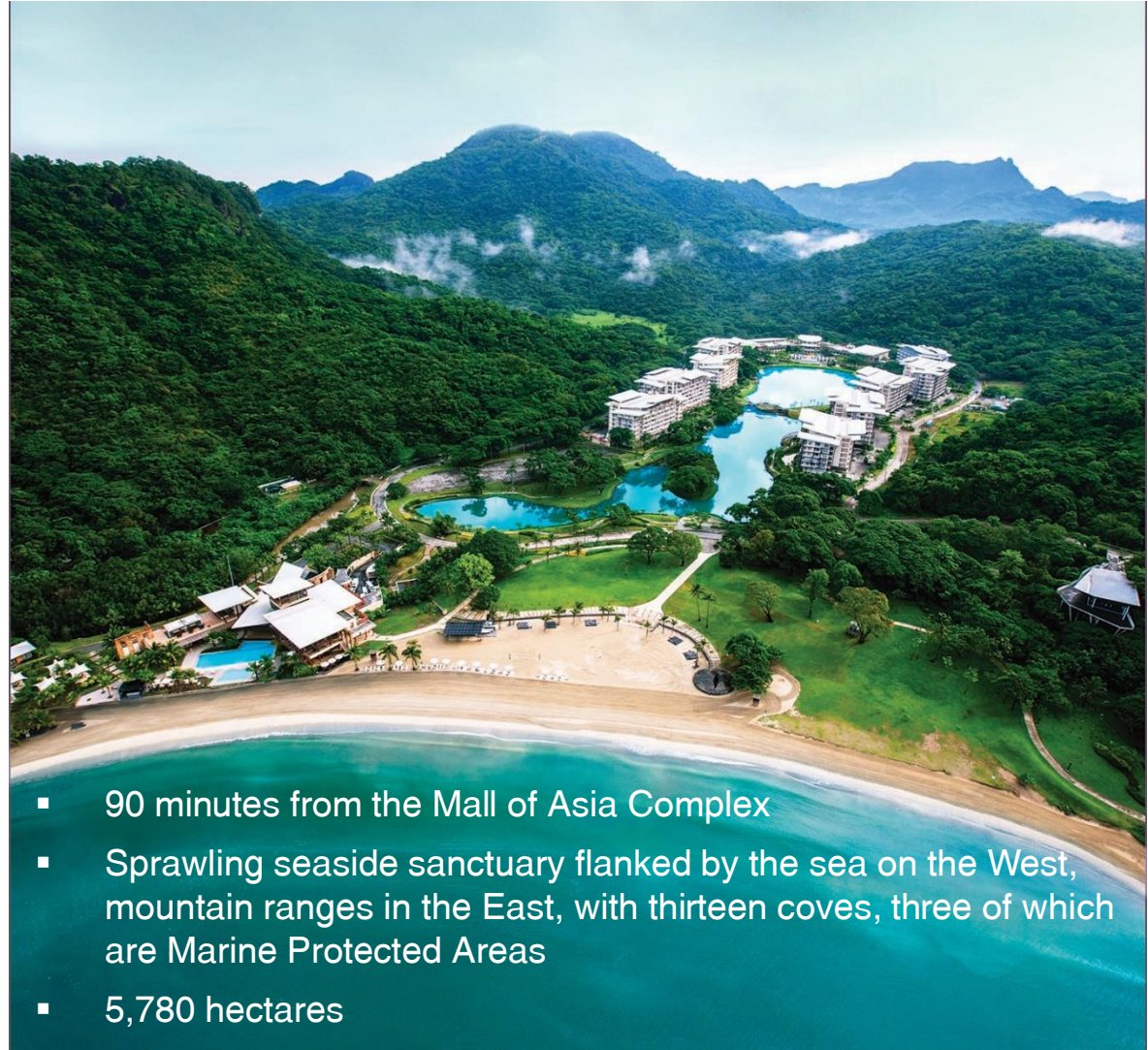
Hotel	Opened	Rooms
Taal Vista, Tagaytay	2003	260
Radisson Blu, Cebu	2010	396
Pico Sands, Hamilo Coast	2011	151
Park Inn, Davao	2013	202
Park Inn, Clark	2015	154
Conrad Manila, Pasay	2016	347
Total		1,510

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)	9M 2017	9M 2016	% Chg	FY 2016
	Revenues	6,213	4,641	33.9%	6,322
	Operating Costs and Expenses	2,786	1,821	53.0%	(2,699)
	Net Operating Income	3,427	2,820	21.5%	3,623
	Net Income	2,651	1,873	41.5%	3,096
	Net Margin	43%	40%	-	49%
	ROE	12.1%	9.0%	-	11.6%
	Net Debt (Cash) to Equity	0.21 : 1.00	0.11 : 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

<u>(In PHP mn)</u>	<u>9M 2017</u>	<u>9M 2016</u>	<u>% Chg</u>	<u>FY 2016</u>
Revenues	8,936	8,777	2%	12,080
Total Cash Cost	6,469	6,596	-2%	8,968
EBITDA	2,463	2,262	9%	3,174
Net Income	(939)	(470)	-100%	(879)
Core Income	(930)	(1,046)	11%	(1,195)

CityMalls Commercial Corp.

Under Construction

CityMalls	Open	2017	2018	Total
Luzon	5	3	3	11
Visayas	13	2	4	19
Mindanao	3	4	4	11
Philippines	21	9	11	41

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

Typical Mall Layout



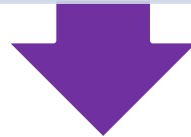
2GO Group

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



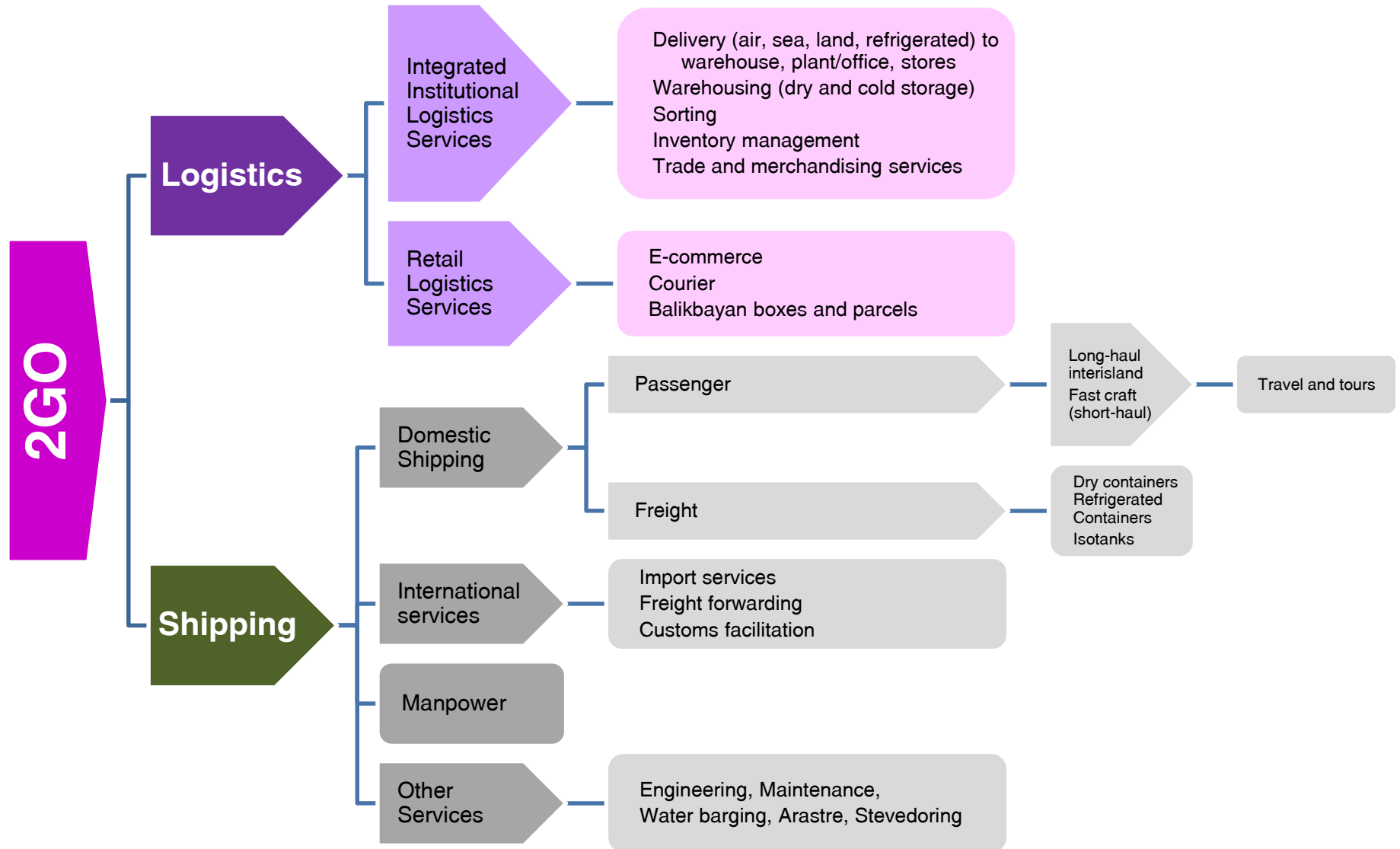
Negros Navigation Corp. (88.3%)

Public (11.7%)



2GO Group, Inc. (30.5%)

2GO Group



2GO 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)

	9M 2017	9M 2016	% Chg	FY 2016	% Chg
Revenues	16,657	14,470	15.1%	19,054	16.3%
Operating Costs and Expenses	(15,946)	(13,323)	19.7%	(17,969)	19.7%
Net Operating Income	712	1,147	-38.0%	1,085	-20.8%
Net Income Attributable to Parent	71	452	-84.2%	330	240.4%

SM Group CAPEX and Land Bank

2017 Planned CAPEX	PHP bn	Allocation/Projects	Land Bank	Area (sqm)
Retail	5.2	New stores / Renovations	SMIC	57,801,502
Banks	~10.0	Branch expansion, IT enhancements	SM Prime	12,469,935
Property	50.0	Integrated Lifestyle Developments	Malls	1,286,216
Malls	24.5	New SM malls and expansions in Philippines and China	Residential	5,003,835
Residential	13.5	High-rise, mid-rise projects, and Leisure Homes	Commercial	760,354
Commercial	11.5	ThreeE-com and FourE-Com	Leisure Homes	5,419,530
Hotels and Convention Centers	0.5	Expansion, addition of new hotels	Total	70,271,437
Parent and Others	0.1		Figures as of 1H 2017	
Total	~65.3			

FINANCIALS

Financials: SMIC

9M 2017 Consolidated Results

In PHP Billion

Particulars	9M 2017	9M 2016	% Chg	FY2016	FY2015	FY2014	FY2013
Revenue	272.2	252.7	7.7%	362.8	332.2	308.8	286.7
Reported Net Income	23.8	22.0	8.1%	31.2	43.7	41.5	40.0
Net Margin	13.7%	13.4%	-	13.2%	13.1%	13.5%	14.0%
Return on Equity	10.7%	10.7%	-	10.7%	10.8%	12.1%	n/a

Total Capital	9M 2017	9M 2016	% Chg	FY2016	FY2015	FY2014	FY2013
Counterpart investments	130.6	110.8	17.9%	145.1	125.0	134.7	120.3
Net Debt	238.9	186.3	28.2%	174.8	156.7	127.5	117.8
Equity attrib to Parent	318.5	295.0	8.0%	300.5	280.0	252.2	219.4
Net Debt:Equity	43:57	39:61	-	37:63	36:64	34:66	36:64

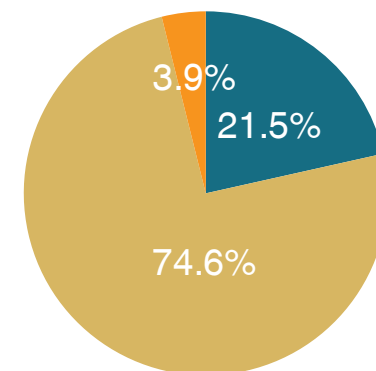
SMIC Parent Debt

Net Debt to Equity	44 : 56	Average Cost of Debt	4.53%
Peso-Foreign Currency Mix	52 : 48	Average Debt Tenure	3.49 years

Recent Bond Offerings

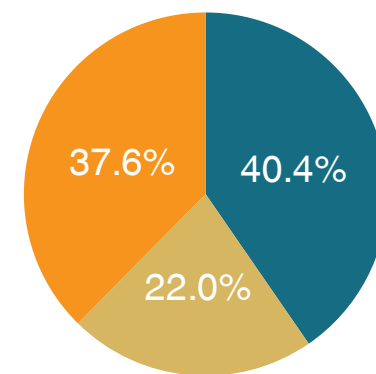
Issued	Amount	Currency	Due Date	Coupon Rate
December 9, 2016	20 bn	Philippine Peso	December 2023	5.159%
June 10, 2014	350 mn	US Dollar	June 2024	4.875%
May 19, 2014	15 bn	Philippine Peso	May 2021/May 2024	5.2958%/5.6125%
July 16, 2012	15 bn	Philippine Peso	Jul 2019/Jul 2022	6.0%/6.9442%
October 17, 2012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

Revenue Contribution



Banking business not consolidated

Earnings Contribution



■ Property ■ Retail ■ Banking

Financials: BDO

Financial Highlights (In PHP Bn)	9M 2017	9M 2016	% Chg	FY 2016
Net Interest Income	59.8	48.4	23.4%	65.6
Other Income	34.8	31.8	9.3%	41.6
Net Income ¹	20.4	19.3	5.4%	26.1
Assets	2,619.9	2,207.9	18.7%	2,325.0
Deposits	2,090.4	1,816.5	15.1%	1,905.2
Gross Customer Loans	1,669.8	1,412.1	18.2%	1,482.0
Net Interest Margin	3.45%	3.25%	--	3.24%
Cost to Income Ratio	67.2%	65.9%	--	65.4%
Return on Ave. Common Equity ²	10.1%	12.6%	--	12.6%
Gross Loans to Deposits Ratio	79.9%	77.7%	--	77.8%
Gross NPL to Gross Customer Loans	1.3%	1.3%	--	1.3%
Total CAR ³	15.1%	12.9%	--	12.3%
Tier 1 Ratio	13.7%	11.4%	--	10.9%
CET1	13.4%	11.1%	--	10.6%

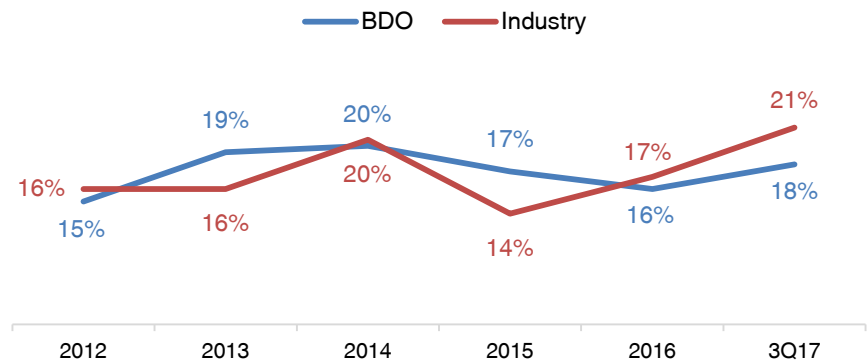
1. Excludes net income attributable to minority interest

2. Return on Ave. Common Equity, defined as NI to parent shareholders less preferred dividends / ave. common equity (excluding preferred shares and minority interests)

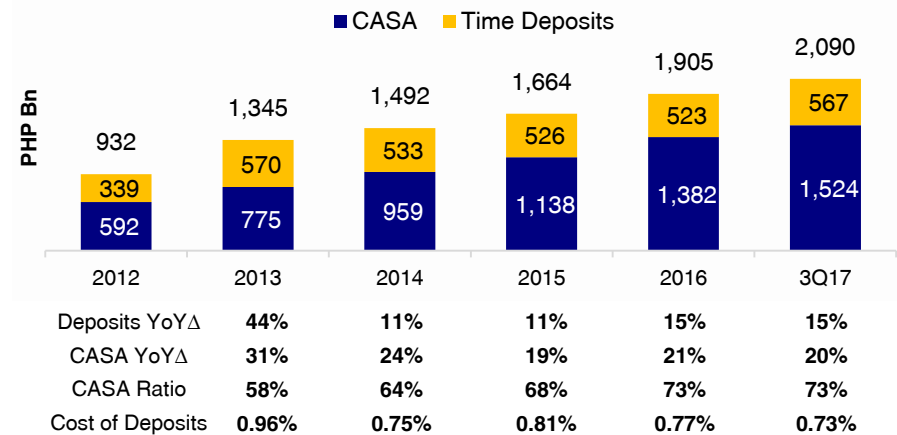
3. Per BSP, as seen in the published statements of condition

Financials: BDO

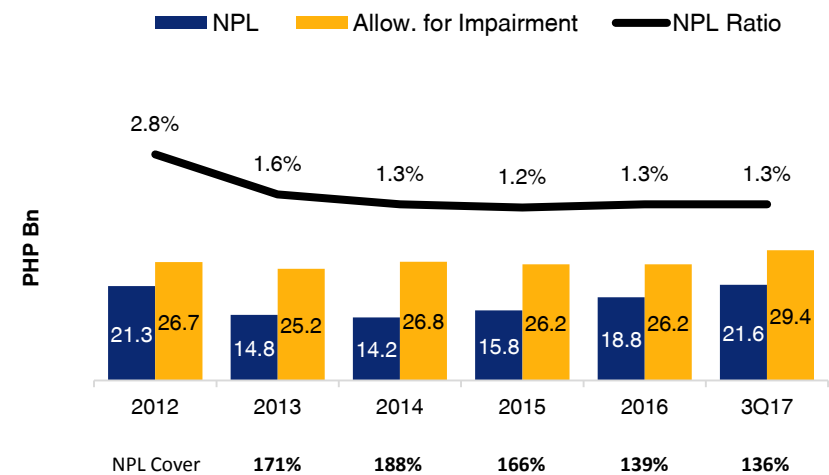
Strong, quality loan growth



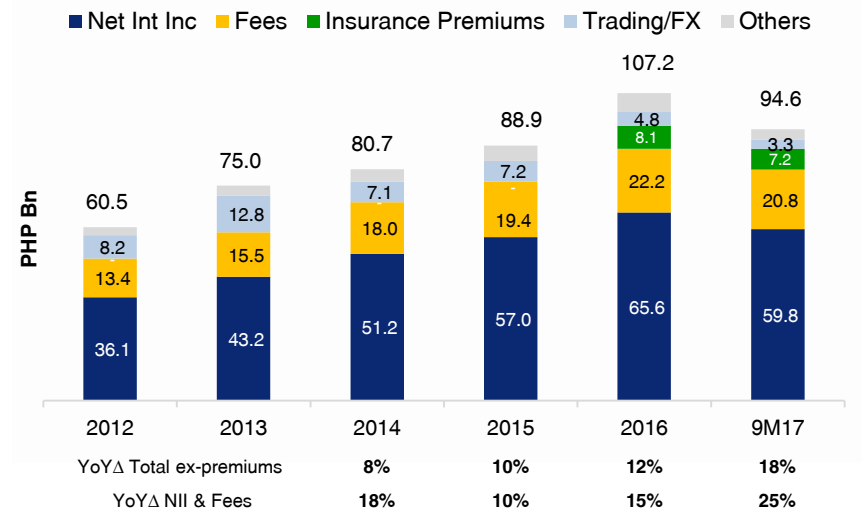
Sustained growth in low-cost deposits



Improving Asset Quality



Growth in sustainable sources of income



Financials: China Bank

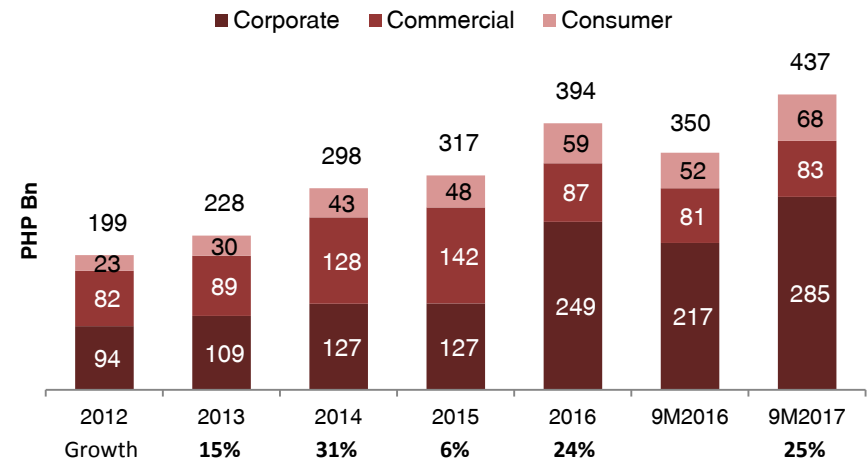
Financial Highlights (In PHP Bn)	9M 2017	9M 2016	% Chg	FY 2016
Net Interest Income	14.3	12.3	16.4%	16.7
Non-Interest Income	4.9	4.2	16.6%	5.1
Net Income	5.7	4.8	17.4%	6.5
Assets	692.7	564.8	22.7%	633.2
Deposits	578.0	472.8	22.3%	541.6
Gross Customer Loans (ex-UDSCL)	435.1	347.3	25.3%	389.0
Net Interest Margin	3.1%	3.2%	--	3.2%
Cost to Income Ratio	61.2%	61.3%	--	61.3%
Return on Equity ¹	10.4%	10.5%	--	10.4%
Gross Customer Loans to Deposits Ratio	75.3%	73.5%	--	71.4%
Gross NPL Ratio	1.8%	1.9%	--	1.9%
Total CAR ²	14.7%	13.3%	--	12.2%
Tier 1/CET 1	13.9%	12.4%	--	11.3%

1. Net Income/Average Equity

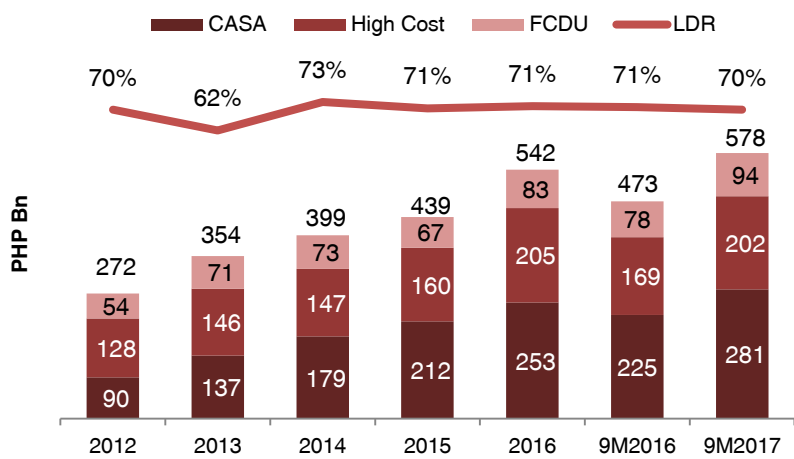
2. Per BSP, as seen in the published statements of condition

Financials: China Bank

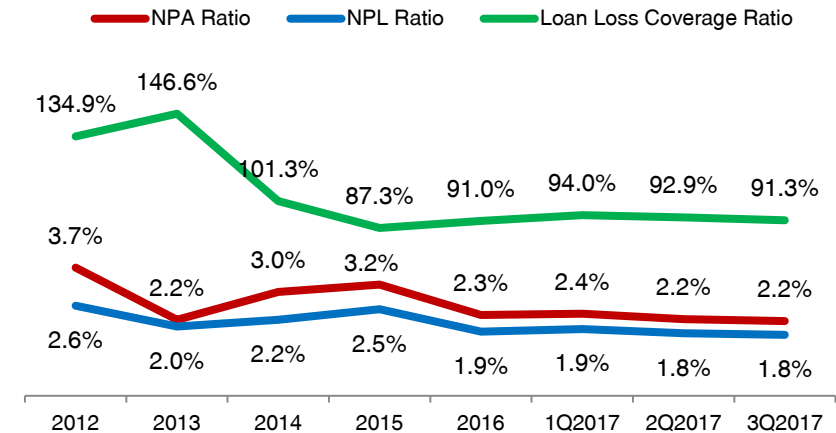
Loan growth above industry



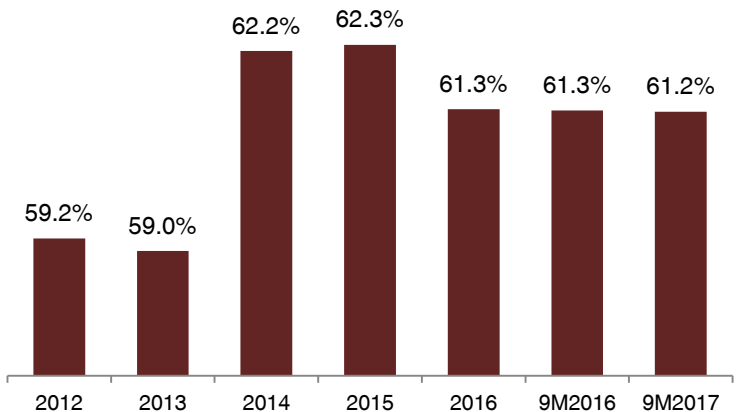
Strong retail funding base



Improving Asset Quality



Improving Cost to Income Ratio



Financials: SM Prime

9M 2017 Results

In PHP Billions

Consolidated	9M 2017	9M 2016	% Chg	FY2016	% Chg
Revenues	64.7	57.8	12.0%	79.8	11.6%
Net Income	20.0	17.5	14.9%	23.8	13.9%
Net Margin	31.0%	30.2%	-	29.8%	-
Return on Equity	11%	11%	-	10.7%	-

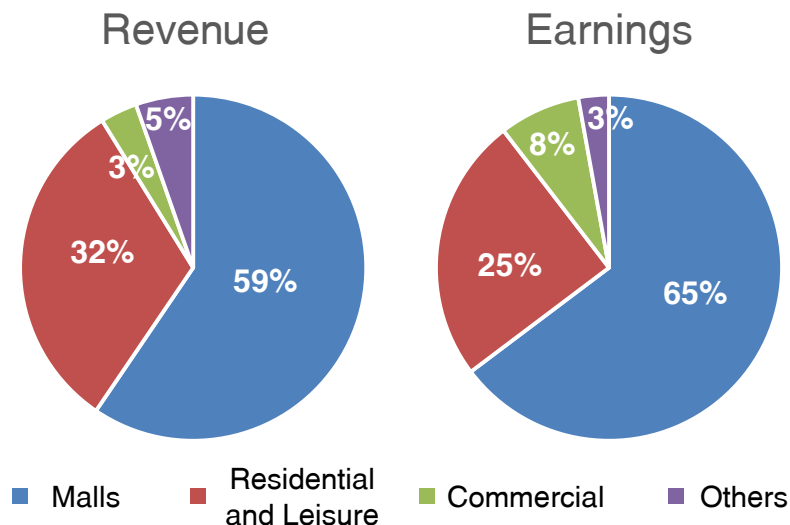
Malls Group	9M 2017	9M 2016	% Chg	FY2016	% Chg
Revenues	38.6	35.1	10.0%	48.6	9.1%
Operating Income	21.4	19.1	11.7%	25.8	8.8%
EBITDA	26.7	23.8	12.4%	32.1	-
<i>EBITDA margin</i>	<i>69.2%</i>	<i>67.8%</i>	-	<i>66.0%</i>	-

Commercial	9M 2017	9M 2016	% Chg	FY2016	% Chg
Revenues	2.3	2.0	14.8%	2.7	32.4%
Operating Income	1.9	1.5	21.6%	2.1	56.9%
EBITDA	2.2	1.8	19.3%	2.5	-
<i>EBITDA margin</i>	<i>95.4%</i>	<i>91.8%</i>	-	<i>91.0%</i>	-

Resi and Leisure	9M 2017	9M 2016	% Chg	FY2016	% Chg
Revenues	20.5	18.7	9.8%	25.4	12.6%
Operating Income	6.2	5.1	20.4%	7.1	16.7%
EBITDA	6.3	5.3	20.1%	7.3	-
<i>EBITDA margin</i>	<i>30.7%</i>	<i>28.3%</i>	-	<i>28.8%</i>	-

Philippines	9M 2017	9M 2016	% Chg	FY2016	% Chg
Revenues	35.1	32.0	9.6%	42.2	10.0%
Operating Income	20.1	17.6	13.8%	23.3	10.6%
EBITDA	24.4	21.6	13.2%	28.3	-
<i>EBITDA margin</i>	<i>69.5%</i>	<i>67.5%</i>	-	<i>67.1%</i>	-

China	9M 2017	9M 2016	% Chg	FY2016	% Chg
Revenues	3.5	3.1	13.6%	0.6	5.0%
Operating Income	1.3	1.5	-12.8%	0.2	-14.6%
EBITDA	2.3	2.2	3.9%	0.3	-
<i>EBITDA margin</i>	<i>65.6%</i>	<i>71.8%</i>	-	<i>58.4%</i>	-



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