



INVESTMENTS
CORPORATION

Investor Presentation

November 2018



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Philippines: Strong Macroeconomic Fundamentals

Young Workforce with Rising Incomes

Strong GDP Growth 6.3%	Per Capita GDP USD3,128	Median Age 23
Consumption Driven 67.4% of GDP	Per Capita GNI USD3,752	Population 105M +1.6% p.a.

Inflation and Interest Rate Environment

- Avg. Inflation rate: **5.0%** (Jan-Sep 2018)
- Avg. lending rate: **5.9%** (Jan-Sep 2018)

Healthy Fiscal and Monetary System

- Debt/GDP: **42.5%**
- CAR: **15.8%**
- NPLs: **1.3%**

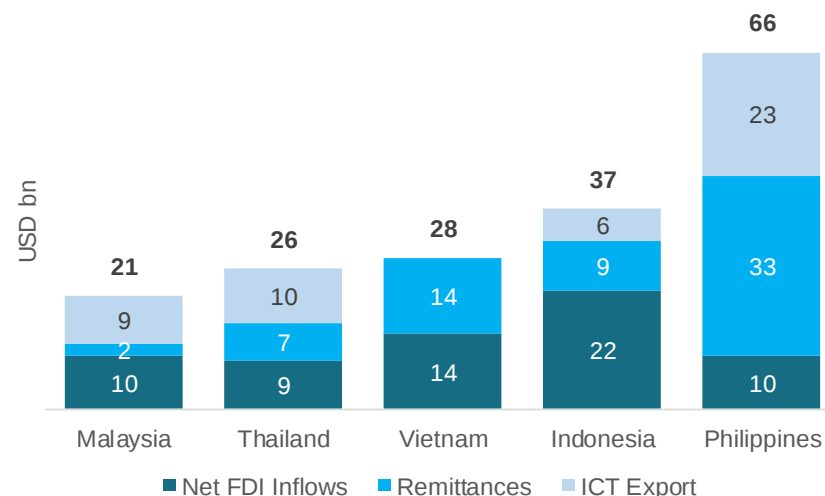
Current Credit Ratings	
S&P	BBB Positive
Moody's	Baa2 Stable
Fitch	BBB Stable

Source: BSP Selected Economic and Financial Indicators
Release as of October 31, 2018

Opportunities

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

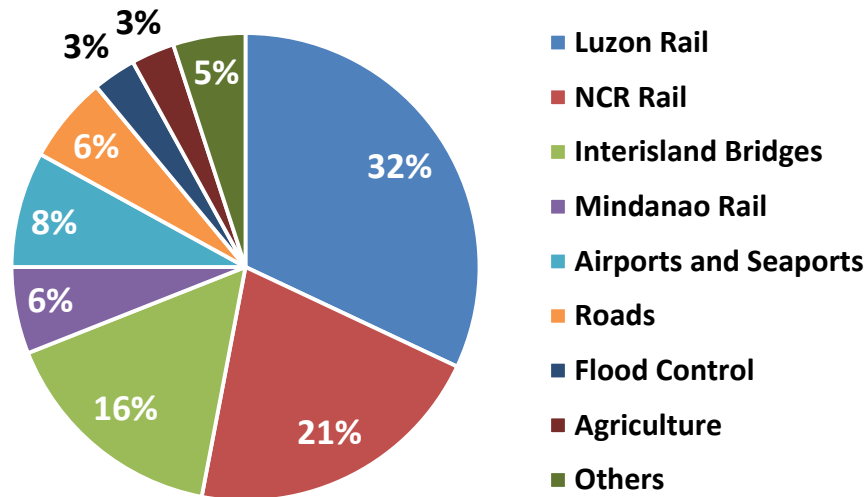
Net External Inflows and ICT Exports



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

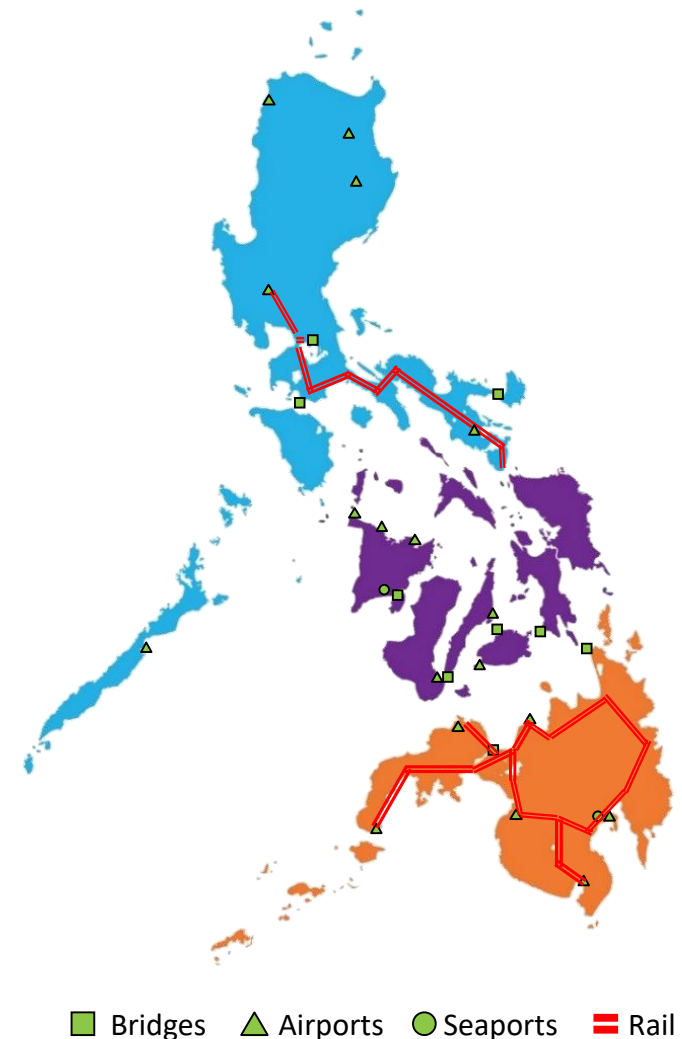
Philippines: Infrastructure Program

- Government target to spend 5% of GDP on infrastructure development going forward (2017 GDP = \$313B)
- Current National Government plans in place to deploy \$33B between 2018-2021; additional agency proposals also in process
 - \$20B approved for immediate procurement, \$14B in 2018, \$6B in 2019
 - \$33B to be spent as follows:



Source: NEDA, IRO (DPWH and DOTr)

Regional Infrastructure Development



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

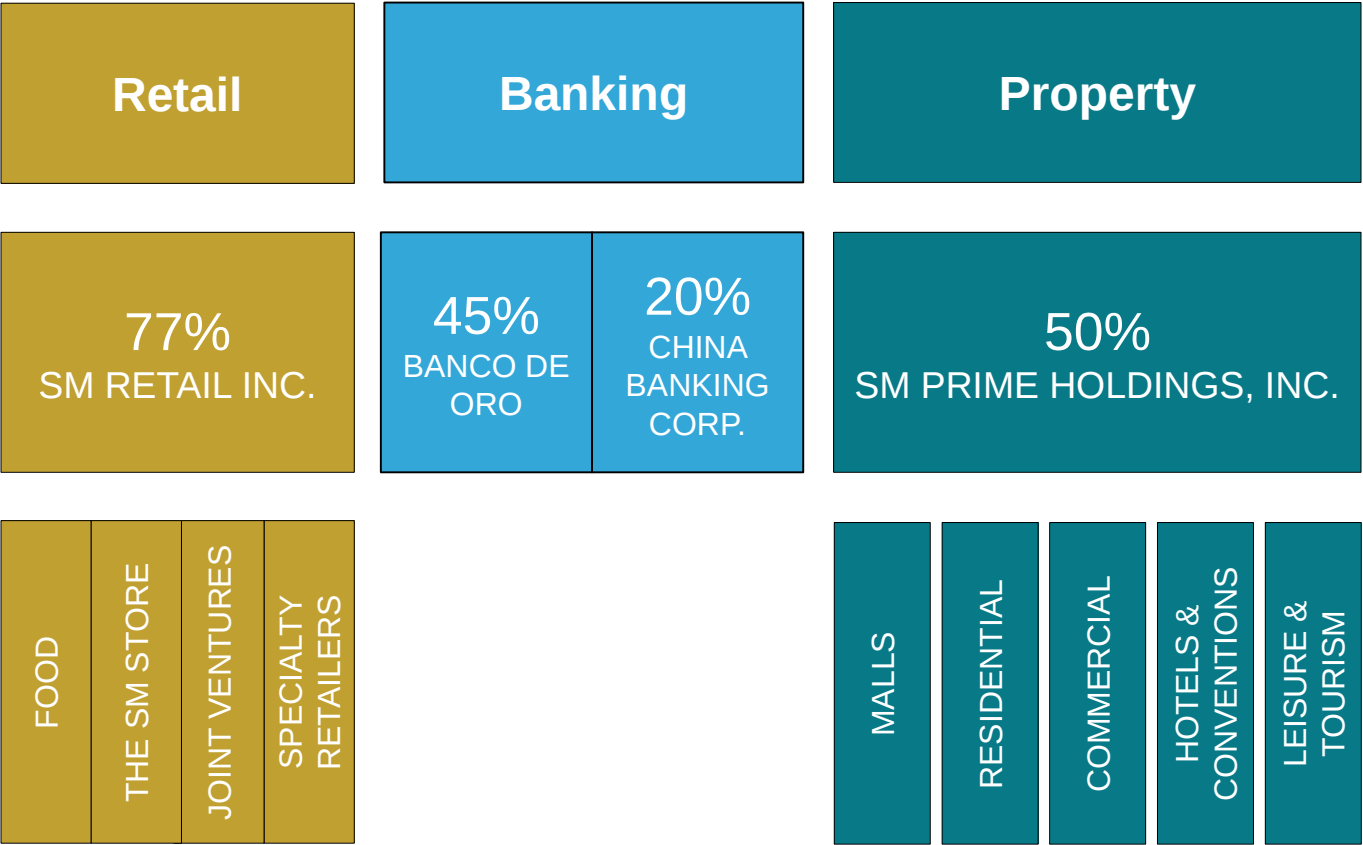
- Partner of choice
- Access to capital and SM's vast network of businesses, customers, tenants and suppliers
- Strong management commitment to partner success

Culture of Sustainability and ESG

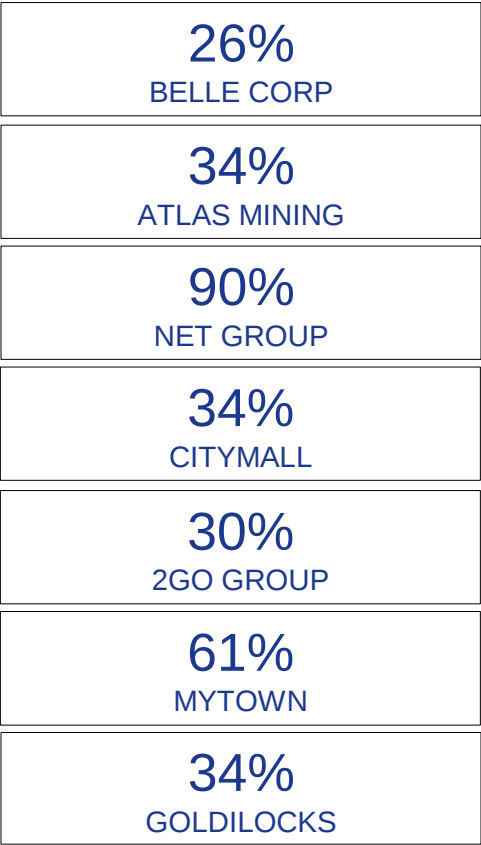
- Good governance, entrepreneurship and strong customer focus
- Prudent financial management
- Emphasis on sustainability and community development

Our Investments

Core Investments



SM Equity Investments



Note: Figures are Effective Interest

SM Group Companies' Rankings

Philippine Conglos

Market Cap (USD bn)

SMIC	20.3
Ayala Corp	10.8
SMC	7.6
JG Summit	6.3
Aboitiz Equity	4.9
DMCI	3.2
LT Group	2.9
GT Capital	2.8
Metro Pacific	2.8
Alliance Global	2.1

Source: Bloomberg;
Figures as of October 31, 2018

Philippine Retailers

FY 2017 Total Sales (USD mn)

SM Retail	5,779
Puregold	2,493
Robinsons	2,307

Philippine Retailers

FY 2017 Store Count

SM Retail	2,032
Puregold	372
Robinsons	1,718

Source: Company Information, end-2017

Philippine Banks

Total Resources (USD bn)

BDO	53.4
Metrobank	41.1
BPI	35.5
Landbank	32.0
PNB	16.3
China Bank	14.4
Security Bank	13.5
UBP	11.7
DBP	11.6
RCBC	11.0

Source: Company Information, 1H 2018

Property Developers

Market Cap (USD bn)

SMPH	18.2
Ayala Land	10.9
Megaworld	2.7
Robinsons Land	2.0
Vistaland	1.3
Double Dragon	0.8
Filinvest	0.6

Source: Bloomberg;
Figures as of October 31, 2018

Our Business Footprint

Metro Manila (NCR)

- 659 retail outlets
- 23 malls
- 882 bank branches

Luzon (ex-NCR)

- 704 retail outlets
- 38 malls
- 534 bank branches

Visayas

- 233 retail outlets
- 5 malls
- 202 bank branches

Mindanao

- 133 retail outlets
- 5 malls
- 225 bank branches

Total Philippines

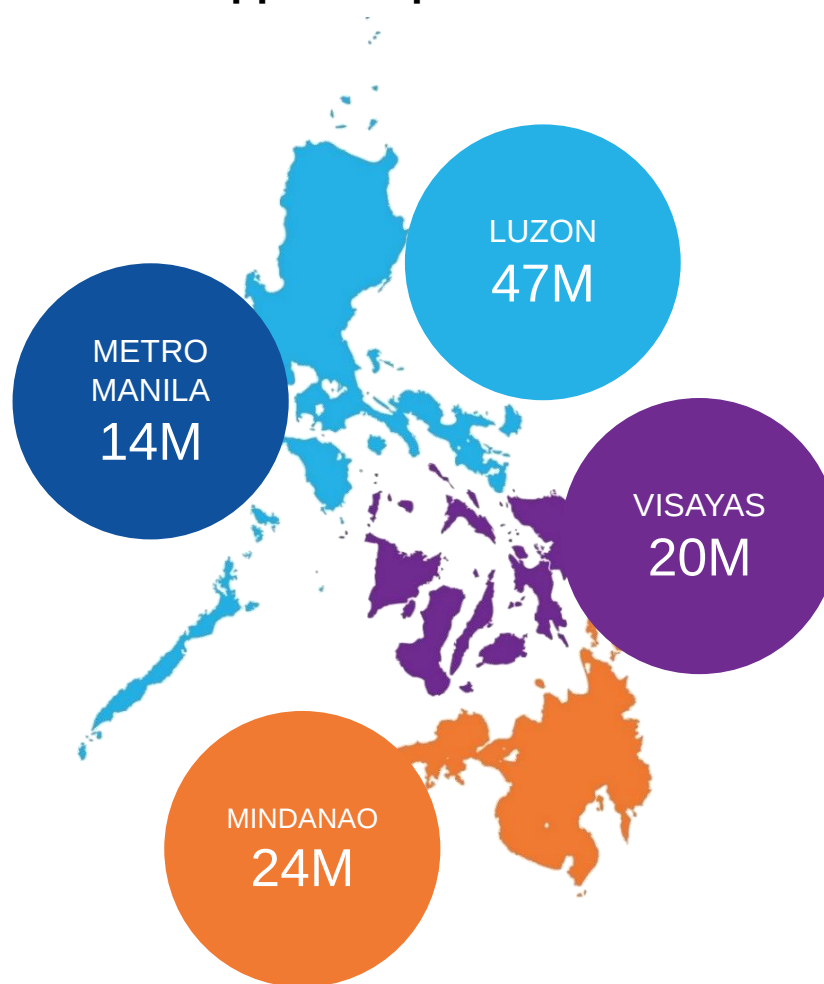
- 2,212* retail outlets
- 71 malls
- 1,843** bank branches

Note: Most Recent Data

*Alfamart included, but not in regional breakdown

**China Bank data as of 1H2018

Philippine Population: 105M

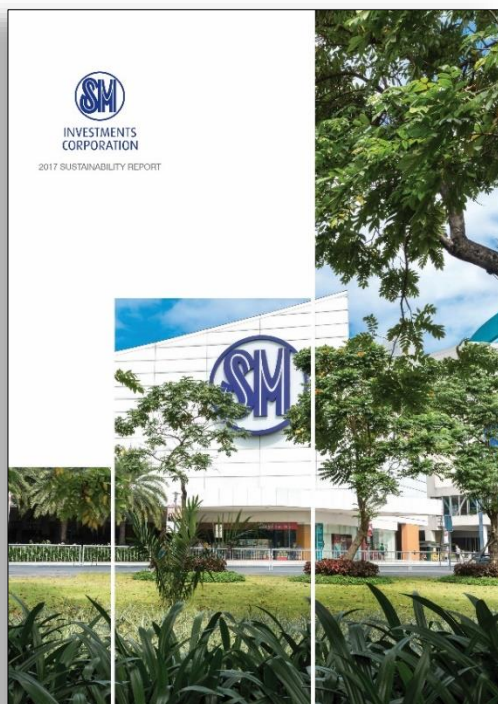


Our ESG Culture

As a group, SM is committed to:

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

SMIC's 2017 Environmental, Social and Governance Report



We focus on four areas of advocacy:

EDUCATION



5,779 college and technical-vocational scholars

396 classrooms built for 40,000 students by SM Foundation & BDO Foundation

HEALTH AND WELLNESS



194 public health centers renovated by SM Foundation & BDO Foundation

6.2M patients served

ZERO HUNGER



20M+ beneficiaries served



19,722 farmers trained from 2,761 barangays in 708 municipalities and 144 provinces

ENVIRONMENTAL SUSTAINABILITY



1,000 disaster-resilient homes

300,000+ families served during disaster relief operation



636,545 tonnes CO₂e avoided per year through the BDO Green Financing

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 • **HENRY SY, SR.**, Chairman Emeritus • **TERESITA SY-COSON**, Vice Chairperson • **HENRY T. SY, JR.**, Vice Chairperson • **HARLEY T. SY**, 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

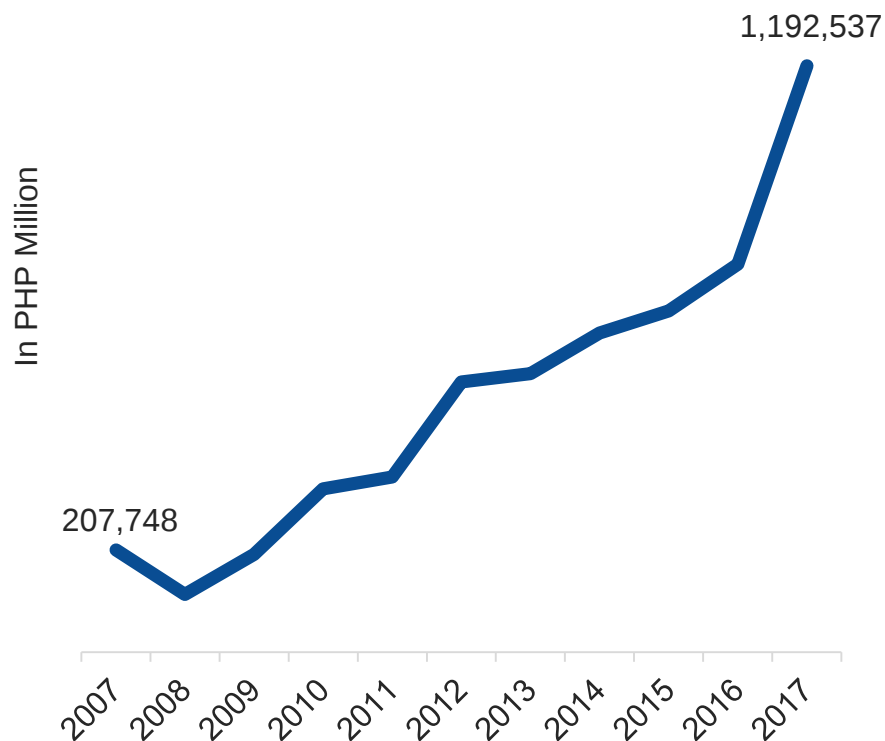
Harley



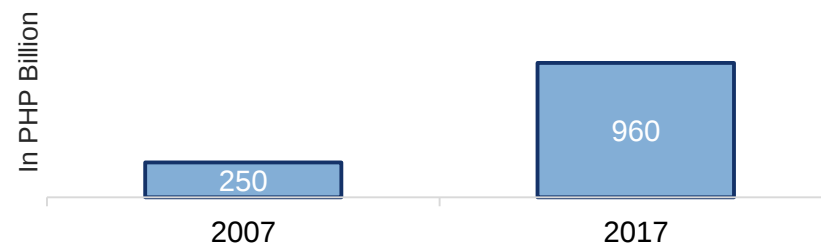
Non-food Retail

10-Year Performance

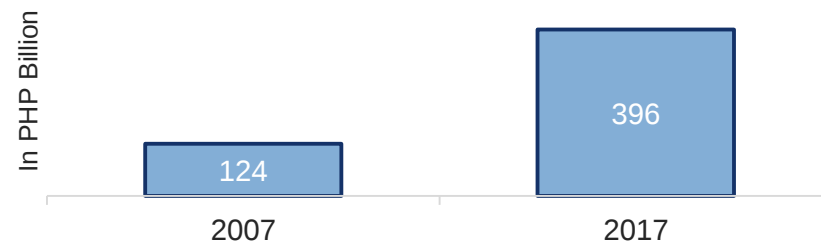
Market Cap grew 19.1% p.a.



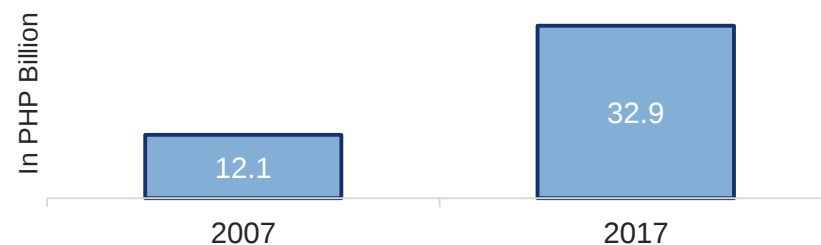
Assets grew at 14.4% p.a.



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	9M 2018	9M 2017	% Chg	FY 2017
Revenues	307.4	274.6	12.0%	396.2
Net Income	26.2	23.8	10.0%	32.9
Net Margin (inc-NCI)	13.6%	13.6%	-	13.0%
ROE	10.5%	10.4%	-	10.4%
Net Debt:Equity	46:54	43:57	-	43:57

SM Retail	9M 2018	9M 2017	% Chg	FY 2017
Gross Revenues	227.0	205.0	10.7%	297.4
Net Income	7.9	7.7	2.6%	10.4
Net Margin (inc-NCI)	4.1%	4.3%	-	4.0%

BDO	9M 2018	9M 2017	% Chg	FY 2017
Net Interest Income	71.5	59.8	19.6%	81.8
Non Interest Income	35.8	34.8	2.8%	47.2
Net Income*	21.5	20.4	5.7%	28.1

SM Prime	9M 2018	9M 2017	% Chg	FY 2017
Revenues	74.6	64.7	15.3%	90.9
Net Income	23.4	20.0	17.0%	27.6
Net Margin	31.4%	30.9%	-	30.4%
ROE	12.0%	11.0%	-	11.0%
Net Debt:Equity	40:60	38:62	-	36:64

*Excluding the impact of PRFS 9 on the investment portfolio of BDO Life and the ongoing expansion of One Network Bank, net income grew 13% for BDO

Recent Events

Parent/Group

- SMIC hosted first Philippine GRI Sustainability Summit
- SM Group won 6 awards from The Asset and 7 awards from Corporate Governance Asia
- SMIC ranked #235 Best Regarded Company and #158 World's Best Employer in Forbes Global 2000 report

Retail

- Opened 3 Department stores, 26 Food and 71 Specialty stores as of 9M 2018, 83% outside Metro Manila
- Alfamart currently operating 500 stores, 152 opened YTD
- Miniso currently operating 62 stores

Banking

- BDO opened 60 new branches YTD, China Bank 8 in 1H
- BDO ranked #140 Best Regarded Company and #24 World's Best Employer in Forbes Global 2000 report
- Osmanthus Investment acquired 15% stake in ONB
- China Bank raised USD150mn in its first Green Bond with IFC

Property

- 4 regional malls opened
- Same mall revenue increased to 8%
- SMDC 25% increase in residential reservation sales

SM Equity Investments

- Acquired 34% in Goldilocks, leading local bakeshop chain
- MyTown opened 5 buildings with over 1,000 bed spaces YTD

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
 - 83% 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	62	792,154	12,777

Food	Stores	GSA (sqm)	Average
SM Supermarket	56	357,079	6,376
SM Hypermarket	50	346,197	6,924
Savemore	194	529,430	2,729
WalterMart	52	144,216	2,773
Alfamart	483	-	-

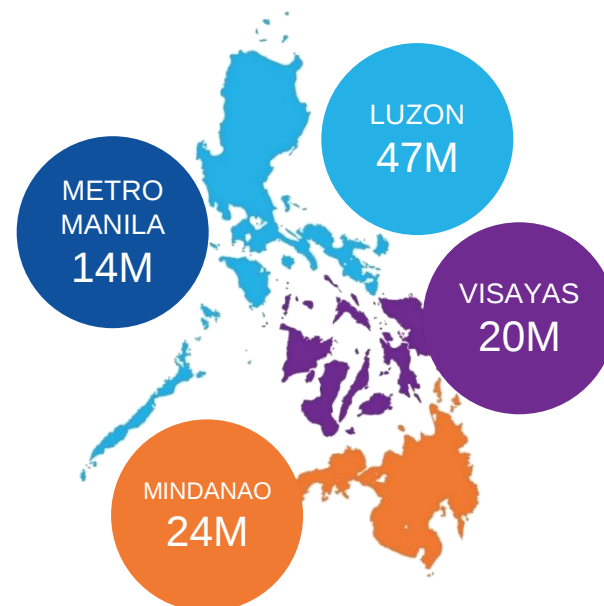
Specialty Stores*	Outlets	GSA (sqm)	Average
Ace Hardware	181	159,530	881
Homeworld	89	134,112	1,507
Toy Kingdom	132	54,714	415
SM Appliances	83	88,427	1,065
Miniso	62	17,984	290
Others	768	113,333	148

	Stores/Outlets	GSA (sqm)
Total	2,212	2,737,176

*Some outlets located in SM Stores/Food stores

Note: Data as of 9M 2018

SM Retail Footprint by Region



GSA Share*

Metro Manila (NCR)	42%
Luzon (ex-NCR)	39%
Visayas	12%
Mindanao	6%

*Excludes Alfamart

SM Retail: Food Retailing



Supermarkets	Large format anchor tenant in SM malls
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Hypermarkets	Stand-alone large format destinations with 50/50 food/non-food mix
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Savemore	Stand-alone mid-sized format expanding nationwide
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WalterMart	Mid-sized format tenant located in WalterMart Malls expanding in Luzon
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Alfamart	Minimart format, JV with Indonesian partner providing supermarket goods and prices in neighborhood locations
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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

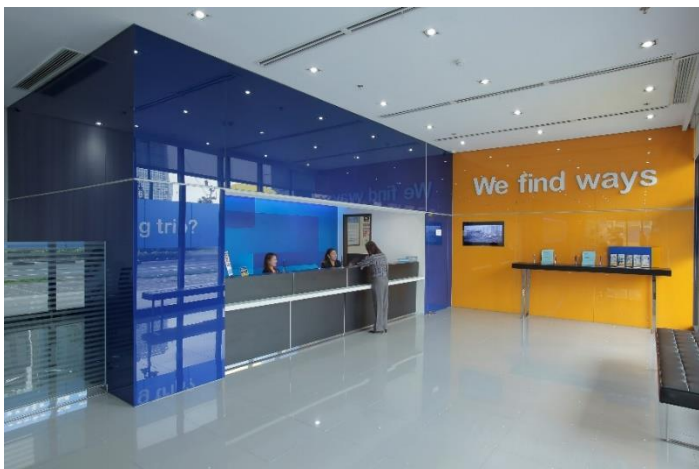
Specialty Retailing

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

- 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

PHILIPPINES

71 Malls

8.2M sqm Total GFA

18,153 Tenants

4.0M Average Daily
Pedestrian Count

338 Cinema Screens

88,268 Parking Slots



CHINA

Malls **7**

Total GFA **1.3M** sqm

Tenants **1,940**

Average Daily
Pedestrian Count **0.2M**

Cinema Screens **58**

Parking Slots **15,373**

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

Note: Data as of 9M 2018

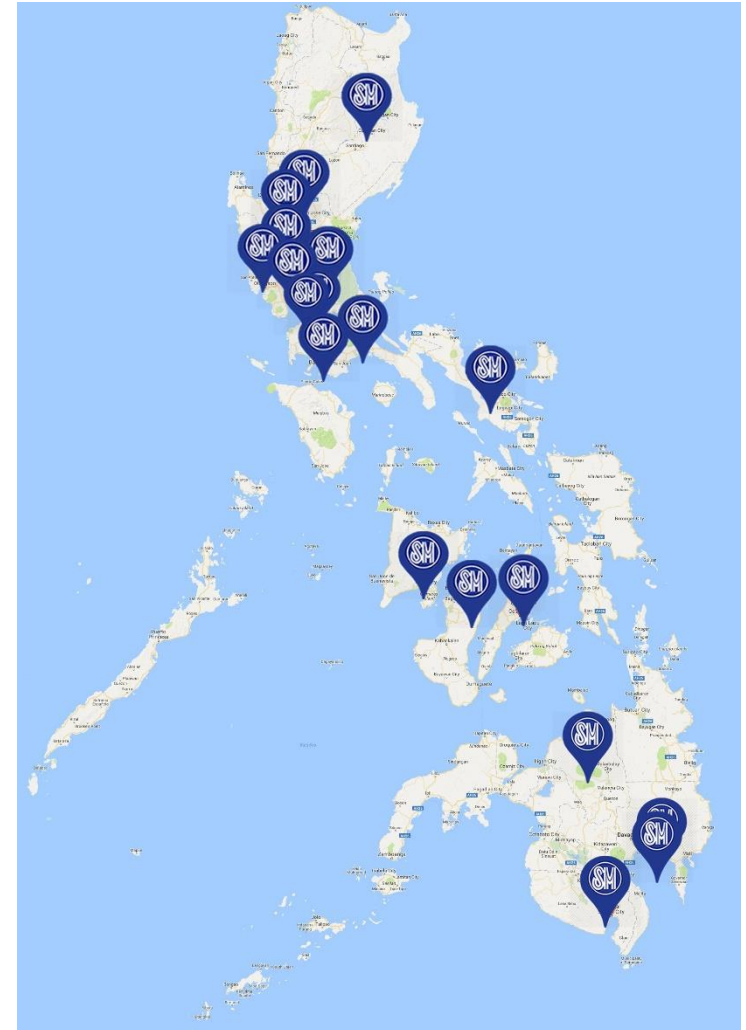
SM Malls: Philippines

Mall Distribution	Malls	GFA (sqm)	% of Total
Metro Manila (NCR)	23	3,430,000	42%
Luzon (ex-NCR)	38	3,047,000	37%
Visayas	5	1,095,000	13%
Mindanao	5	661,000	8%
Total	71	8,233,000	100%

2018 New Mall	Opened	GFA (sqm)
SM Center Imus	Feb 2018	13,000
SM City Urdaneta	May 2018	44,000
SM City Telabastagan	May 2018	55,000
SM City Legazpi	Sep 2018	88,000

Upcoming Malls	GFA (sqm)
SM City Ormoc	21,000

Note: Data as of 9M 2018



SM Malls: China



Existing	Date Opened	GFA (sqm)
■ SM Xiamen	2001 December	238,000
■ Jinjiang	2005 November	168,000
■ Chengdu	2006 October	167,000
■ Suzhou	2011 September	73,000
■ Chongqing	2012 December	149,000
■ Zibo	2015 September	152,000
■ Tianjin (partial)	2016 December	322,000
Total		1,269,000

SM Zibo



SM Tianjin



SM Residences

- Pioneer in affordable high rise residential developments since 2003
- Extensive amenities and SM Retail facilities
- 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

	9M 2018	9M 2017
Reservation Sales (PHP B)	52.8	42.1

Future Plans

2018 Planned launches (units)	12,000-15,000
2018 CAPEX	PHP52.8bn

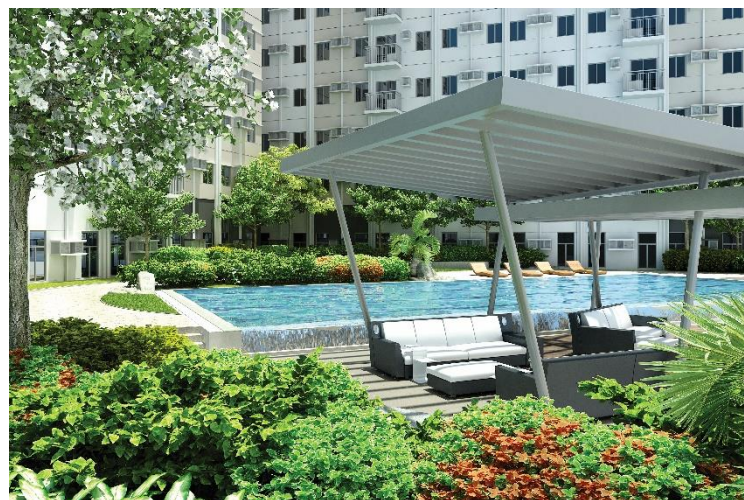
SMDC Land bank

	Hectares
Metro Manila	82.60
Outside Metro Manila	363.70
Total Land bank	446.30

Charm Residences



Charm Residences Amenity Area



SM Residences: Affordable Modern Condo Living



SM Commercial Properties

Completed	GFA (sqm)
TwoE-Com Center	108,000
Makati Cyber One	22,000
Makati Cyber Two	17,000
SM Cyber West	42,000
FiveE-Com Center	142,000
Aura Office Tower	53,000
SMCK BPO Techno Hub	73,000
SM Taytay BPO Tower	12,000
SMSR The Core Tower 1	14,000
Total Leasable Area	483,000

FiveE-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



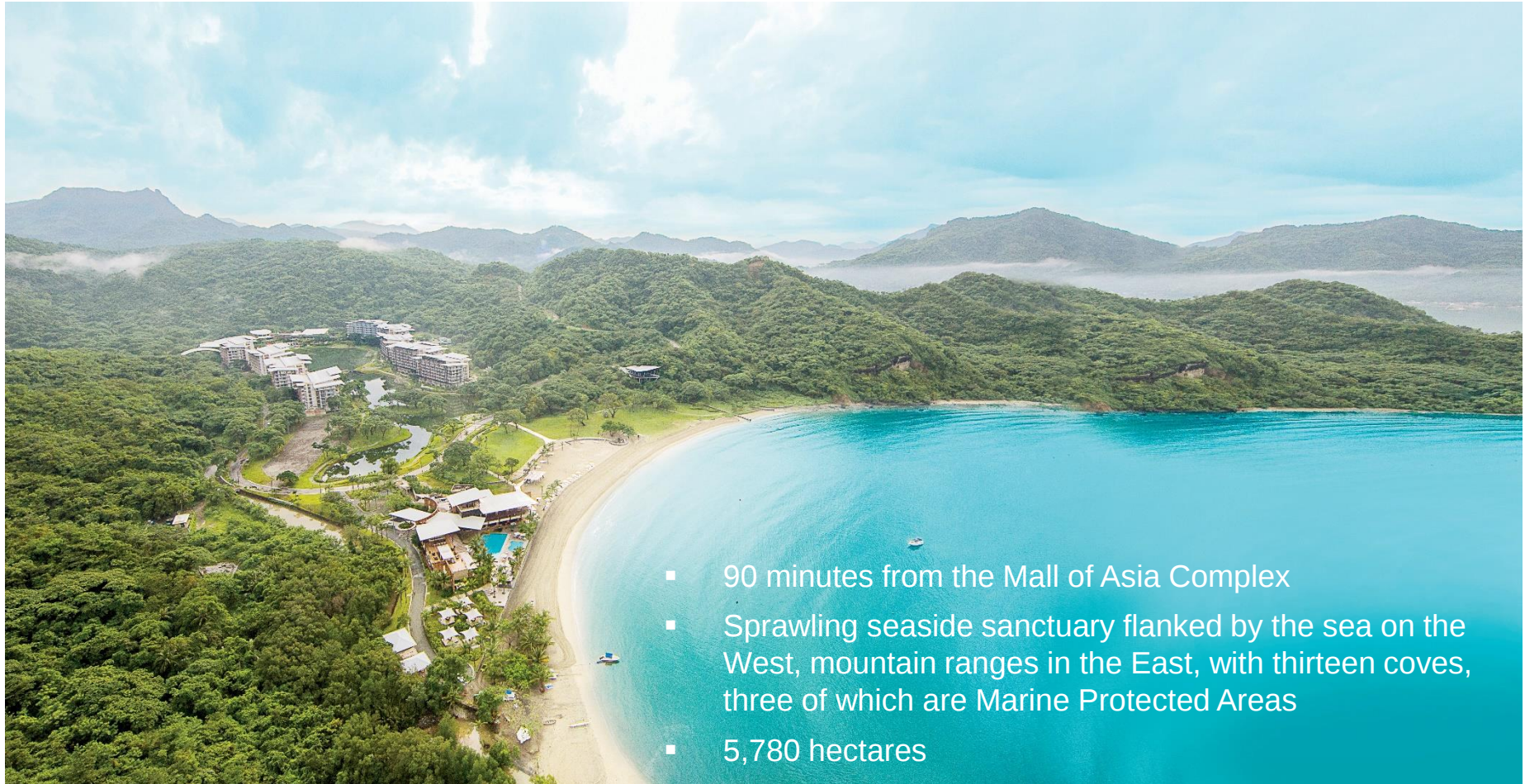
Hotel	Opened	Rooms
Taal Vista, Tagaytay	2003	261
Radisson Blu, Cebu	2010	400
Pico Sands, Hamilo Coast	2011	154
Park Inn, Davao	2013	204
Park Inn, Clark	2015	155
Conrad Manila, Pasay	2016	348
Total		1,522

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

Logistics



Mining



Gaming & Leisure



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

	(In PHP mn)	9M 2018	9M 2017	% Chg	FY 2017
Developer of high-end entertainment and leisure properties	Revenues	6,461	6,222	3.8%	8,012
US\$1.3bn City of Dreams Manila, operated by Melco	Operating Costs and Expenses	(2,858)	(2,795)	2.3%	(3,463)
- Total gross floor area: 310,565 sqm	Net Operating Income	3,603	3,427	5.1%	4,549
- Gaming floor area: 22,507.28 sqm	Net Income*	2,678	2,651	1.0%	3,511
292 gaming tables	Net Margin	41%	43%	-	44%
1,908 slot machines and electronic table games	ROE	12.0%	12.1%	-	12.1%
Three hotel brands with 946 keys: NÜWA, Nobu, Hyatt	Net Debt (Cash) to Equity	0.20 : 1.00	0.21 : 1.00	-	0.17 : 1.00

*Excluding 2017 one time gain, recurring net income growth of 19%

Atlas Consolidated Mining

- Copper mine with 20 years mine life, over 360m tonnes of proved and probable reserves as of June 2018

- Average Cu grade of 0.34%

- Excellent environmental and social record

- Supportive shareholders and other stakeholders

- C1 cost is \$1.83/lb Cu

(In PHP mn)	1H 2018	1H 2017	% Chg	FY 2017
Revenues	7,606	5,179	47%	11,964
Total Cash Cost	5,111	4,033	27%	8,151
EBITDA	2,594	1,135	129%	3,806
Net Income	(221)	(573)	-61%	(1,968)
Core Income	(163)	(1,006)	-84%	(746)

2GO Group

2GO is the largest end-to-end logistics solutions provider in the Philippines with a platform combining:



End-to-end modern retail trade solutions



Cold chain delivery system



Strategically located Forward Stock Locations and Cross-dock facilities



Expertise in handling and moving temperature sensitive liquid cargo



A fleet of Roll-on/Roll-off Passenger vessels and Freighter vessels



Enabler in fast growing e-Commerce industry



Transport network to fulfill B2B and B2C orders



Extensive nationwide Retail footprint

2GO Group

2GO Group's extensive assets and nationwide footprint include:

SHIPPING

26 Vessels:

11 Fast Crafts

8 RoRo/Pax

7 Freighters

129,000 metric tons of Gross
Registered Tonnage

14,161/day Passenger Capacity

3,724/day TEU Cargo Capacity

LOGISTICS

67 Warehouses

60,000 Pallet Positions

164,000 sqm of Warehouse
Space

2,014 Trucks

559 Riders

647 Special Containers

DISTRIBUTION

Nationwide coverage
including in-store
placement, serving:

1,100 Retail Outlets

473 Food Service
Establishments

1,069 Pharmacies

RETAIL FOOTPRINT

3,501 Retail outlets for ticket
sales, package drop-off and
collection, comprising:

1,782 Agents

1,607 Network

112 Company-owned



2GO Group

- Leading Shipping provider 90% of domestic passengers 27% of freight handling - Widest Logistics infrastructure - Nationwide Distribution capability - Extensive Retail footprint - Strong synergies with SM group - Nationwide expansion - Customer touch points - ECommerce	(In PHP mn)	1H 2018	1H 2017	% Chg	FY 2017
	Revenues	10,752	11,134	-3.4%	21,551
	Operating Costs and Expenses	(10,367)	(10,521)	-1.5%	(21,190)
	Net Operating Income	384	612	-37.3%	361
	EBITDA	282	409	-31.1%	(423)
	Net Income Attributable to Parent	204	118	73.1%	(316)

SM Group CAPEX and Land Bank

2018 Planned CAPEX	PHP bn	Allocation/Projects	Land Bank	Area (sqm)
Retail	5.2	New stores / Renovations	SMIC	57,801,502
Banks	~11.0	Branch expansion, IT enhancements	SM Prime	13,210,000
Property*	80.0	Integrated Lifestyle Developments	Malls	1,910,000
Malls	22.4	New SM malls and expansions in Philippines	Residential	5,140,000
Residential	52.8	High-rise, mid-rise projects, and Leisure Homes	Commercial	740,000
Others	4.8	ThreeE-com and FourE-Com; Addition of new hotels	Leisure Homes	5,420,000
Parent and Others	0.1		Total	71,011,502
Total	~96.3		Most Recent Data	

*Most Recent Data, based on SMPH CAPEX allocation

Financials

Financials: SMIC

9M 2018 Consolidated Results

In PHP Billion

Particulars	9M 2018	9M 2017	% Chg	FY 2017	FY2016	FY2015	FY2014
Revenue	307.4	274.6	12.0%	396.2	363.4	332.2	308.8
Reported Net Income	26.2	23.8	10.0%	32.9	31.2	43.7	41.5
Net Margin (inc-NCI)	13.6%	13.6%	-	13.0%	13.1%	13.1%	13.5%
Return on Equity	10.5%	10.4%	-	10.4%	10.7%	10.8%	12.1%

Total Capital	9M 2018	9M 2017	% Chg	FY 2017	FY2016	FY2015	FY2014
Counterpart investments	97.2	130.6	-25.6%	113.3	145.1	125.0	134.7
Net Debt	292.4	238.9	22.4%	243.7	174.8	156.7	127.5
Equity attrib to Parent	342.1	318.5	7.4%	328.1	300.5	280.0	252.2
Net Debt:Equity	46:54	43:57	-	43:57	37:63	36:64	34:66

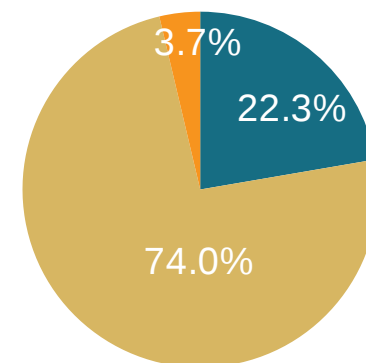
SMIC Parent Debt

Net Debt to Equity	48 : 52	Average Cost of Debt	4.58%
Peso-Foreign Currency Mix	55 : 45	Average Debt Tenure	3.47 years

Recent Bond Offerings

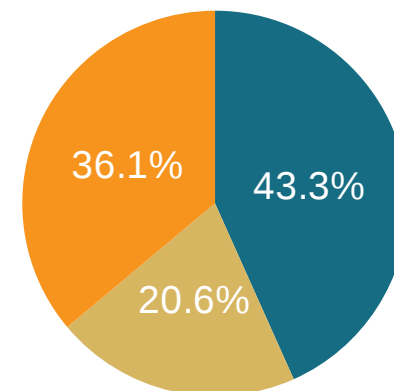
Issued	Amount	Currency	Due Date	Coupon Rate
December 9, 2016	20 bn	Philippine Peso	December 2023	5.159%
June 10, 2014	350 mn	US Dollar	June 2024	4.875%
May 19, 2014	15 bn	Philippine Peso	May 2021/May 2024	5.2958%/5.6125%
July 16, 2012	15 bn	Philippine Peso	Jul 2019/Jul 2022	6.0%/6.9442%
October 17, 2012	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 2018	9M 2017	% Chg	FY 2017
Net Interest Income	71.5	59.8	19.6%	81.8
Other Income	35.8	34.8	2.8%	47.2
Net Income ¹	21.5	20.4	5.7%	28.1
Assets	2,921.7	2,619.9	11.5%	2,668.1
Deposits	2,345.9	2,090.4	12.2%	2,121.0
Gross Customer Loans	1,959.4	1,669.8	17.3%	1,754.9
Net Interest Margin	3.58%	3.45%	--	3.48%
Cost to Income Ratio	66.9%	67.2%	--	65.8%
Return on Ave. Common Equity ²	9.5%	10.1%	--	10.2%
Gross Loans to Deposits Ratio	83.5%	79.9%	--	82.7%
Gross NPL to Gross Customer Loans	1.1%	1.3%	--	1.0%
Total CAR ³	13.9%	15.1%	--	14.5%
Tier 1 Ratio	12.5%	13.7%	--	13.1%
CET1	12.3%	13.4%	--	12.9%

Notes:

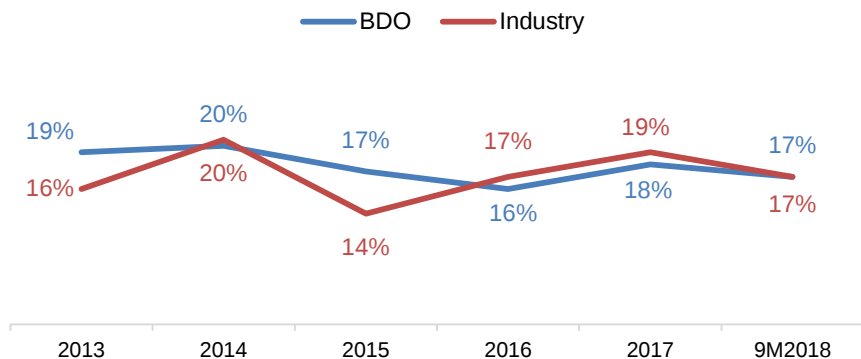
1. Excludes net income attributable to minority interest

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

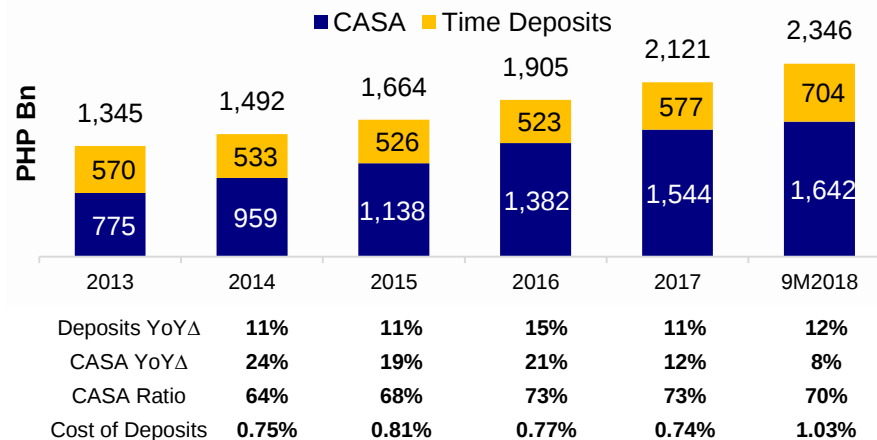
3. Per BSP, consolidated basis, as seen in the published statements of condition

Financials: BDO

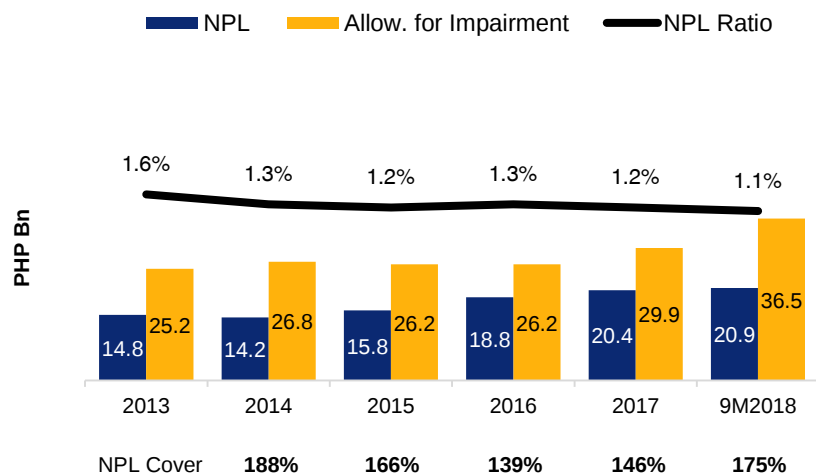
Strong, quality loan growth



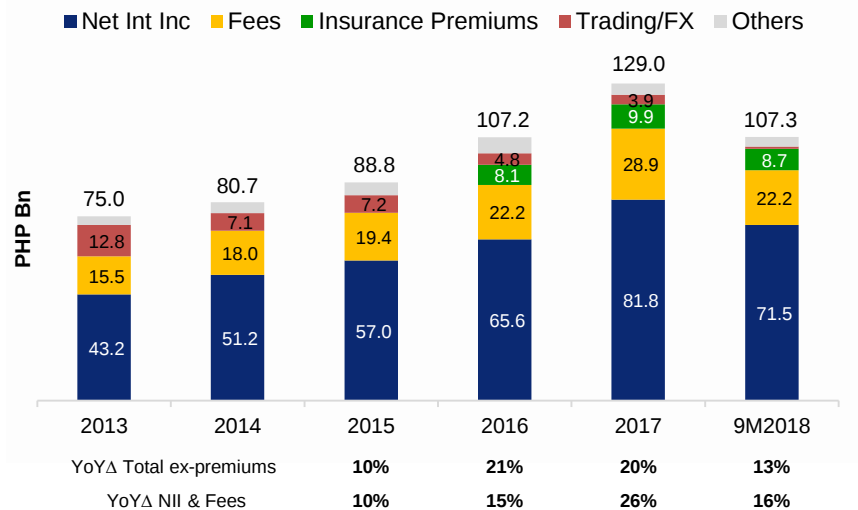
Sustained growth in low-cost deposits



Improving asset quality



Growth in sustainable sources of income



Financials: China Bank

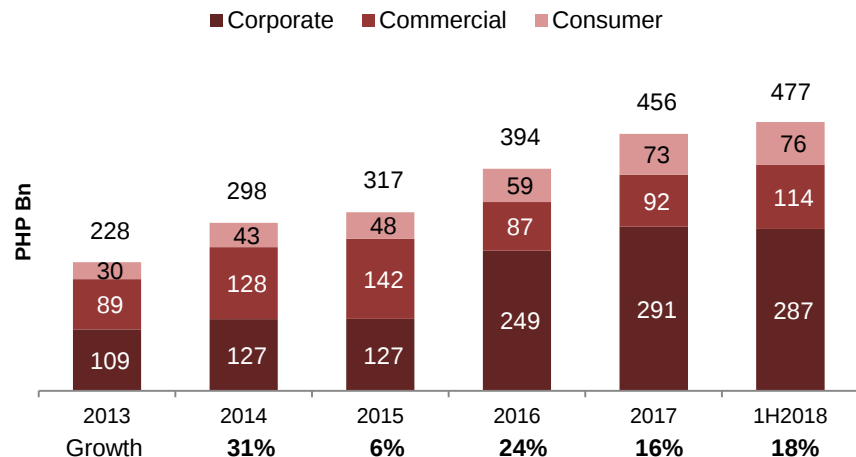
Financial Highlights (In PHP Bn)	1H 2018	1H 2017	% Chg	FY 2017
Net Interest Income	11.1	9.2	19.8%	19.6
Non-Interest Income	2.1	3.1	-32.0%	6.1
Net Income	3.6	3.6	-0.9%	7.5
Assets	768.0	658.0	16.9%	751.4
Deposits	653.0	554.0	17.9%	635.1
Gross Customer Loans (ex-UDSCL)	477.0	404.0	18.1%	453.9
Net Interest Margin	3.2%	3.1%	--	3.1%
Cost to Income Ratio	65.6%	60.9%	--	62.0%
Return on Equity ¹	8.5%	10.4%	--	10.0%
Gross Customer Loans to Deposits Ratio	73.0%	72.9%	--	70.7%
Gross NPL Ratio	1.4%	1.8%	--	1.4%
Total CAR ²	13.3%	15.5%	--	14.2%
CET 1/Tier 1	12.6%	14.7%	--	13.5%

Notes:

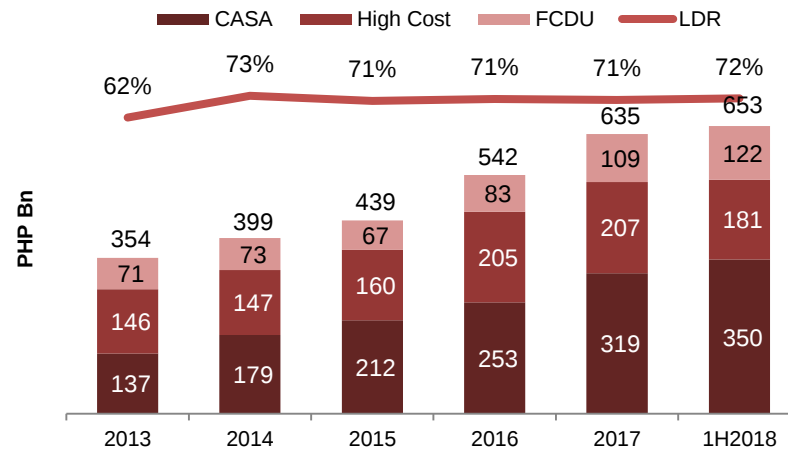
1. Net Income/Average Equity
2. Per BSP, as seen in the published statements of condition

Financials: China Bank

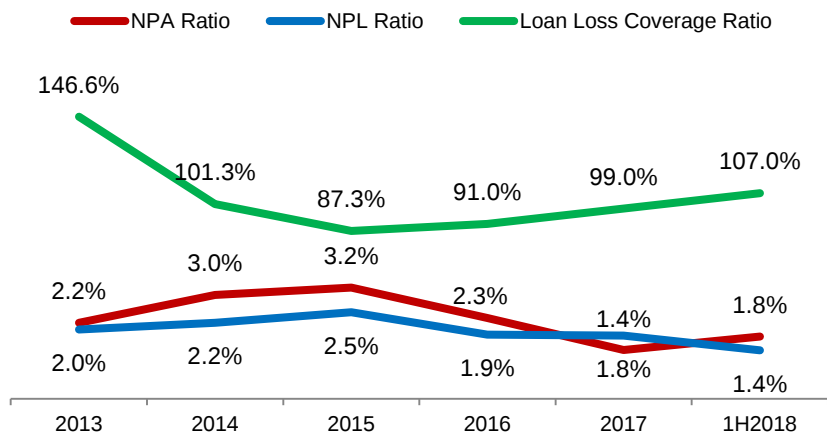
Strong loan growth



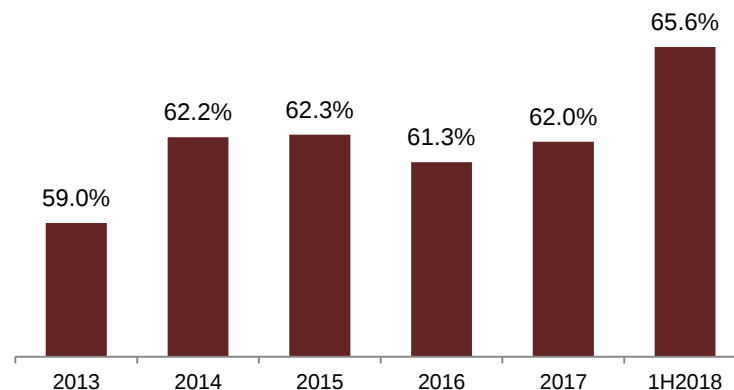
Strong retail funding base



Improving asset quality



Cost-led Organic Expansion



Financials: SM Prime

9M 2018 Results

In PHP Billions

Consolidated	9M 2018	9M 2017	% Chg	FY 2017
Revenues	74.6	64.7	15.3%	90.9
Net Income	23.4	20.0	17.0%	27.6
Net Margin	31.4%	30.9%	-	30.4%
Return on Equity	12.0%	11.0%	-	11.0%

Malls Group	9M 2018	9M 2017	% Chg	FY 2017
Revenues	43.3	38.6	12.2%	53.2
Operating Income	24.0	21.4	12.1%	28.4
EBITDA	29.7	26.7	11.2%	35.6
EBITDA margin	68.6%	69.2%	-	67.0%

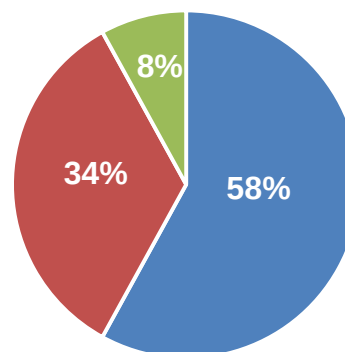
Philippines	9M 2018	9M 2017	% Chg	FY 2017
Revenues	38.9	35.1	10.8%	48.4
Operating Income	22.0	20.1	9.7%	26.7
EBITDA	26.6	24.4	9.0%	32.6
EBITDA margin	68.4%	69.5%	-	67.4%

China	9M 2018	9M 2017	% Chg	FY 2017
Revenues	4.4	3.5	25.8%	4.8
Operating Income	2.0	1.3	48.6%	1.7
EBITDA	3.1	2.3	36.1%	3.0
EBITDA margin	70.5%	65.7%	-	63.7%

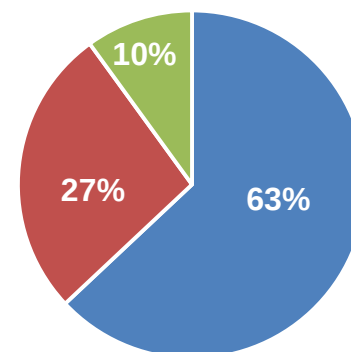
Residences	9M 2018	9M 2017	% Chg	FY 2017
Revenues	25.3	20.5	23.3%	30.0
Operating Income	8.3	6.2	34.3%	8.9
EBITDA	8.4	6.3	33.3%	9.0
EBITDA margin	33.2%	30.7%	-	30.0%

Other Businesses	9M 2018	9M 2017	% Chg	FY 2017
Revenues	6.2	5.8	7.1%	7.9
Operating Income	2.9	2.7	6.5%	3.6
EBITDA	3.6	3.4	5.8%	4.6
EBITDA margin	58.1%	58.6%	-	57.9%

Revenue



Earnings



■ Malls ■ Residences ■ Other Business

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