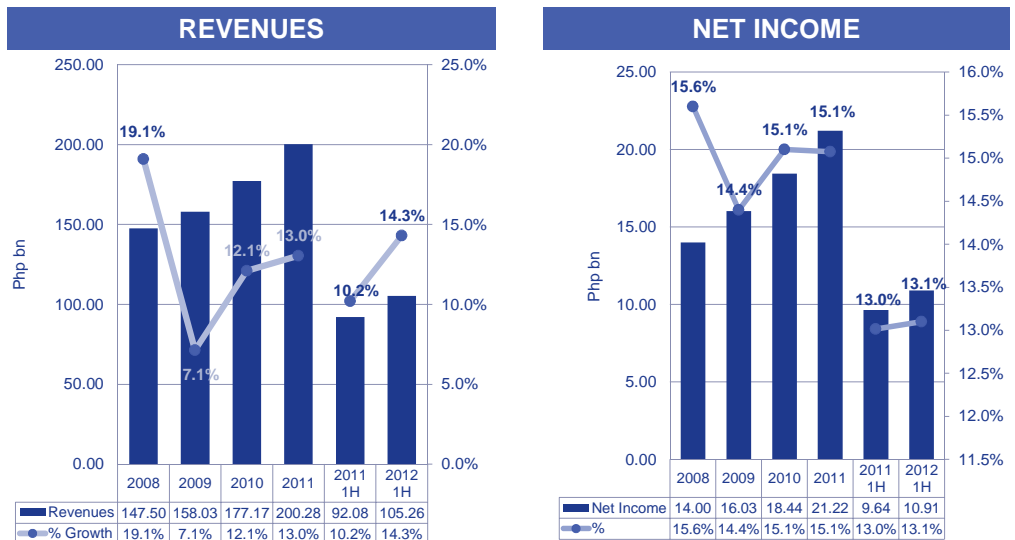


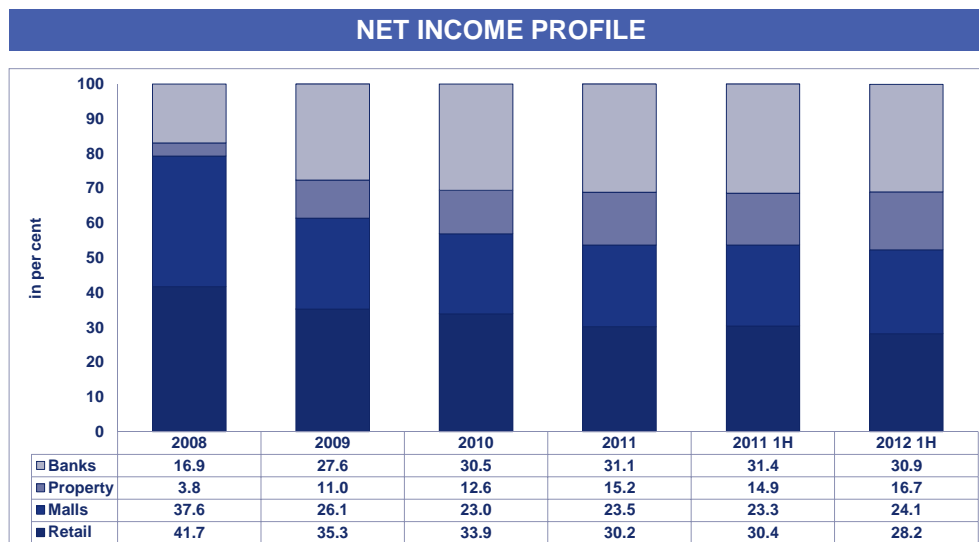
Financial Highlights: Profitability



3



Financial Highlights: Profitability

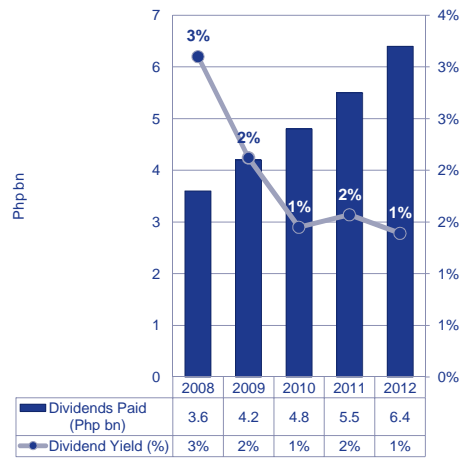


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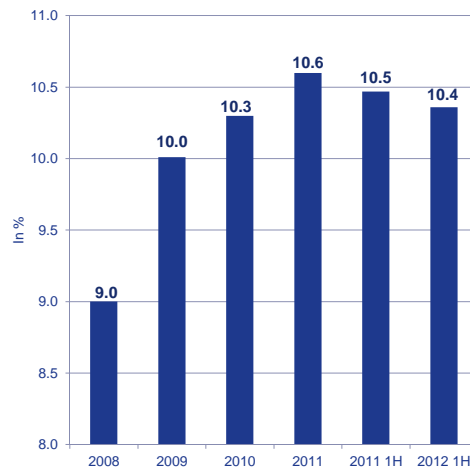
Financial Highlights: Profitability

DIVIDENDS



* Dividend Yield is based on closing price as of July 31, 2012

NET MARGIN

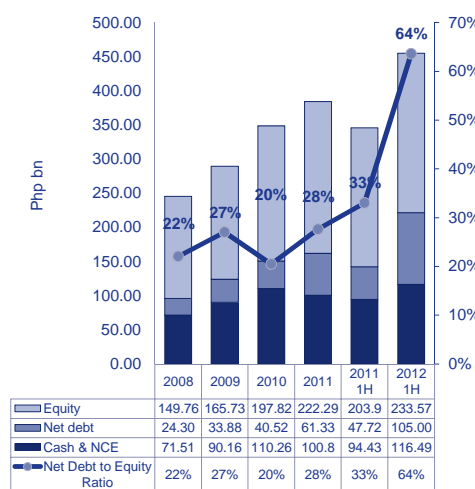


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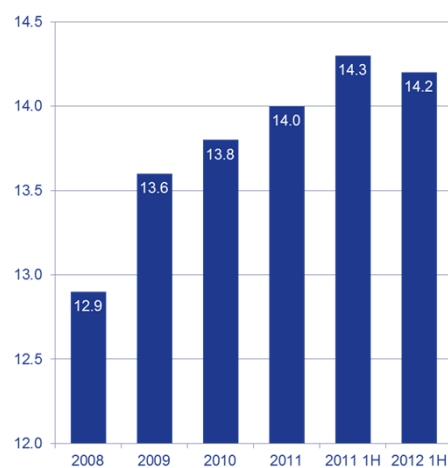


Financial Highlights: Resources

TOTAL ASSETS



RETURN ON EQUITY



6

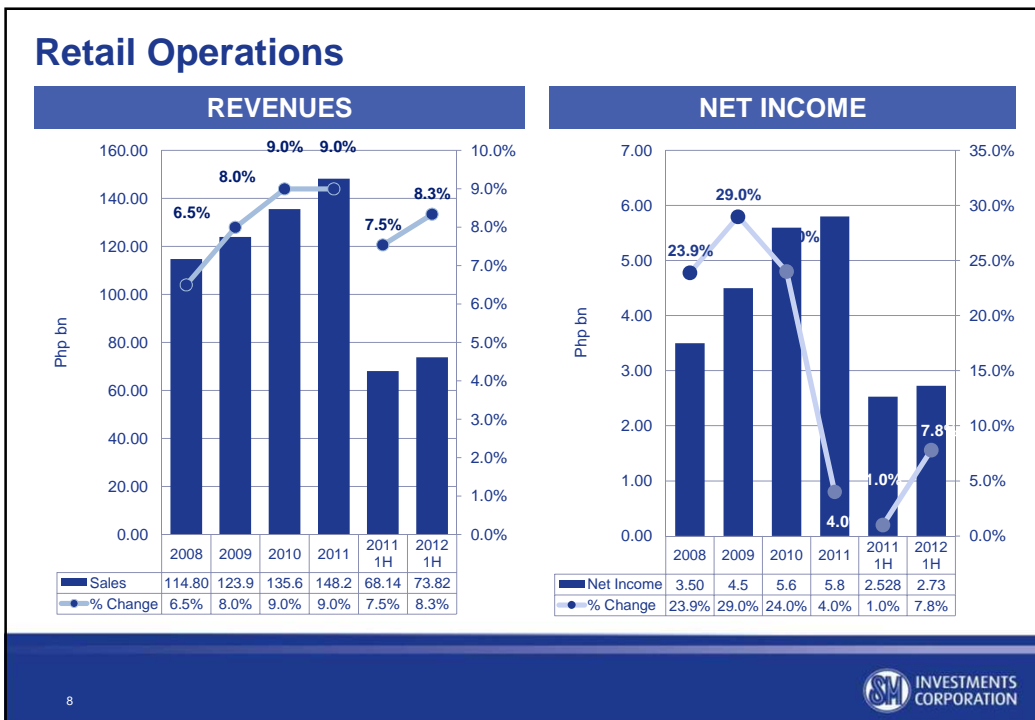




Retail Operations

- First-half 2012 sales grew 8% to Php73.8bn
- Net income also grew 8% to Php2.7bn
- Added 14 new stores for a total of 183 stores nationwide

INVESTOR PRESENTATION 



SM Investments Corporation Overall Retail Results

| | Jan-Jun 2012 | Jan-Jun 2011 | % change |
|---------------------|-----------------|-----------------|-------------|
| Sales (Php bn) | 73.8 | 68.14 | 8.3% |
| Net Income (Php bn) | 2.7 | 2.5 | 7.8% |
| Net Margin | 3.7% | 3.7% | -- |
| Return on Equity | 49.6 | 32.1 | -- |

| | Current No. of Stores | No. of New Stores Opened from Jan 2012 | Total No. of Stores as of End 2011 | Selling Area (in sqm) | Ave. Selling Area (in sqm) |
|---------------------|--------------------------|---|--|-----------------------------|----------------------------------|
| SM Department Store | 43 | 2 | 41 | 594,840 | 13,833 |
| SM Supermarkets | 34 | 1 | 33 | 156,326 | 4,598 |
| SM SaveMore | 73 | 8 | 65 | 117,409 | 1,608 |
| SM Hypermarket | 33 | 3 | 30 | 182,900 | 5,542 |
| Total | 183 | 14 | 169 | 1,051,475 | -- |

Data as of Jun 30, 2012

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Mall Operations

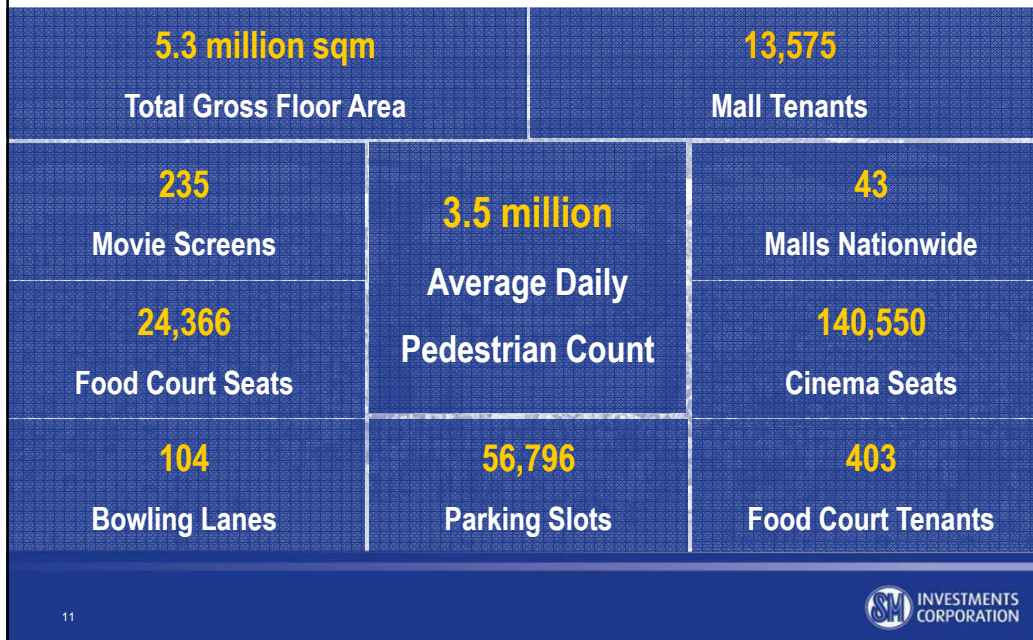
- First-half 2012 consolidated revenues grew 15% to Php14.6bn
- Consolidated net income increased by 15% to Php4.9bn
- Total of 47 malls in the Philippines and China



INVESTOR PRESENTATION

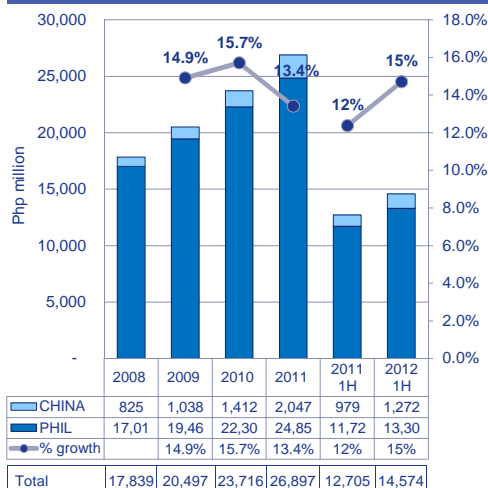


SM Malls Trivia

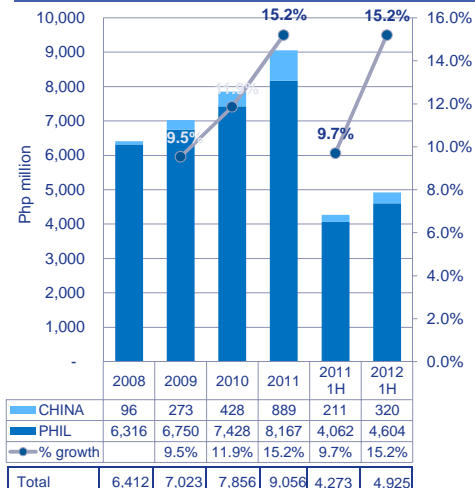


SM Prime Holdings, Inc.

REVENUES

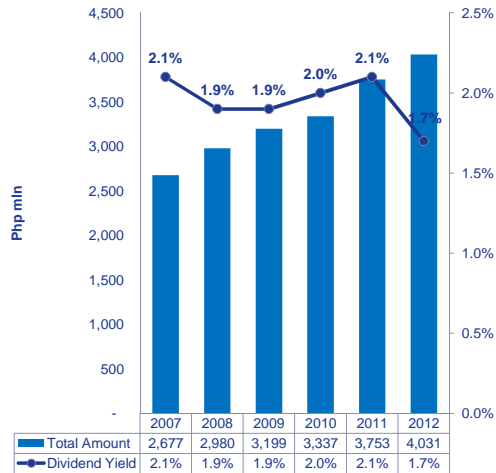


NET INCOME



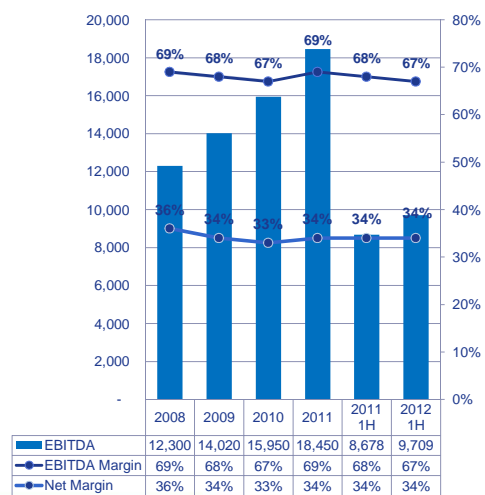
SM Prime Holdings, Inc.

DIVIDENDS



* Dividend yield is based on closing price as of July 31, 2012

MARGINS

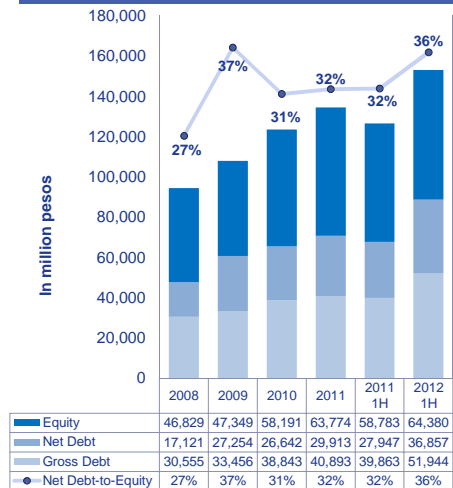


13

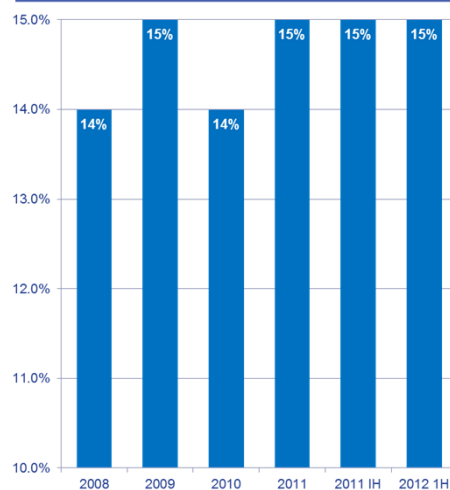


SM Prime Holdings, Inc.

DEBT RATIOS



RETURN ON EQUITY



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Philippine Malls

| Area | Number of Malls | GFA (sqm) | % of Total GFA |
|-------------|-----------------|-----------|----------------|
| NCR | 16 | 2,697,561 | 52% |
| Luzon | 21 | 1,748,965 | 34% |
| Visayas | 4 | 558,888 | 11% |
| Mindanao | 2 | 166,675 | 3% |
| Grand Total | 43 | 5,172,089 | 100% |



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SM INVESTMENTS CORPORATION

2012 Expansion Program: Philippines

| | | GFA (sq.m.) |
|-----------|-------------------|----------------|
| Feb 2012 | SM Olongapo | 47,426 |
| Jun 2012 | SM Consolacion | 106,857 |
| July 2012 | SM San Fernando | 42,625 |
| Aug 2012 | SM General Santos | 88,106 |
| Sept 2012 | SM Lanang Davao | 145,824 |
| | Total | 430,838 |
| End 2012 | Number of Malls | 46 |
| | Expanded GFA | 5.5 M (+10%) |
| | Estimated Capex | Php14 bn |



SM City General Santos



SM City Lanang Davao



SM City Consolacion Cebu

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SM INVESTMENTS CORPORATION

China Malls



| | Existing | Address | Yr/Month Opened | GFA (sqm) |
|--|------------------|--|-----------------|-----------|
| | SM Xiamen | Xiamen City, Fujian Province | 2001 December | 128,203 |
| | Lifestyle Center | | 2009 October | 109,922 |
| | Jinjiang | Quanzhou City, Fujian Province | 2005 November | 167,830 |
| | Chengdu | Chengdu City, Sichuan Province | 2006 October | 166,665 |
| | Suzhou | Wuzhong District, Suzhou, Jiangsu Province | 2011 September | 72,552 |

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SM China

- SM Prime's emerging business in China translates to strong growth both in revenues and net income.
- SM Prime plans to open one mall per year in second and third tier cities
- Largest SM mall under construction in Tianjin with a GFA of 540,000 sqm
- The average occupancy rate for the four malls in China is now at 94%

| (In Php million) | Jan-Jun '12 | Jan-Jun '11 | % Chg |
|------------------------|-------------|-------------|-------|
| Revenues | 1,273 | 979 | 30% |
| Operating Expenses | 765 | 563 | 36% |
| Income from Operations | 508 | 416 | 22% |
| Net Income after Tax | 321 | 211 | 52% |
| EBITDA | 742 | 631 | 18% |
| EBITDA margin | 58% | 64% | |
| Operating margin | 40% | 42% | -- |
| Net margin | 25% | 22% | -- |

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SM China Expansion Program

| Opening | | GFA (sq.m.) |
|---------------|--------------------|----------------|
| 2H2012 | Chongqing | 150,000 |
| 2H2014 | Zibo | 154,000 |
| 2H2014 | Tianjin | 540,000 |
| | Total GFA | 844,000 |
| | Est. CAPEX in 2012 | Php7bn |
| End 2014 | Number of Malls | 7 |
| | GFA (in sq. m.) | 1.5 mn(+160%) |



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SM INVESTMENTS CORPORATION

Banking Operations

- Combined first-half 2012 net income increased 5.8% to Php7.8bn
- BDO continues to be the largest Philippine bank in terms of assets, loans and deposits

INVESTOR PRESENTATION

SM INVESTMENTS CORPORATION

BDO Unibank

| Financial Highlights | 1H '12 (Php bn) | 1H '11 (Php bn) | % Chg |
|----------------------|--------------------|--------------------|-----------|
| Net Interest Income | 17.4 | 17.1 | 2% |
| Other Income | 11.2 | 10.4 | 7% |
| Net Income | 5.8 | 5.0 | 15% |
| Deposits | 868.5 | 802.5 | 8% |
| Gross Customer Loans | 718.9 | 610.6 | 18% |
| ROE (%) | 11.7% | 11.4% | -- |
| NPL (%) | 3.1% | 4.0% | -- |
| CAR (%) | 15.4% | 14.8% | -- |

Business Strategy

- Create operating leverage for businesses to achieve scale advantage that is backed by
 - A superior brand
 - Broad market coverage
 - Effective technology
- Prudent balance sheet management to withstand economic cycles through
 - Conservative provisioning
 - Sound capital management

21



China Bank

| Financial Highlights | 1H '12 (Php bn) | 1H '11 (Php bn) | % Chg |
|----------------------|--------------------|--------------------|-----------|
| Net Interest Income | 4.0 | 4.5 | -11.8% |
| Net Income | 2.0 | 2.4 | -14.3% |
| Assets | 287.5 | 231.3 | 20.7% |
| Deposits | 238.1 | 191.2 | 24.5% |
| Gross Customer Loans | 171.5 | 126.6 | 35.4% |
| ROE (%) | 10.2% | 13.4% | -- |
| NPL (%) | 2.5% | 3.4% | -- |
| CAR (%) | 15.0% | 16.6% | -- |

Business Strategy

- Further strengthen its long-standing relationship with its loyal customers
- Strengthen the revenue growth of its core businesses
- Diversify its sources of revenues
- Introduce new products
- Sustain its expansion of branch network and distribution channels

22





Property Development

- First-half 2012 real estate revenues surged 59% to Php13.9bn
- Net income from real estate grew 24 % to Php3.1bn
- Home pre-sales jumped 85% to Php19.8bn and continues to exceed expectations



INVESTOR PRESENTATION



Residential

Commercial

Leisure

SM Development Corporation

Commercial Properties Group

Costa del Hamilo

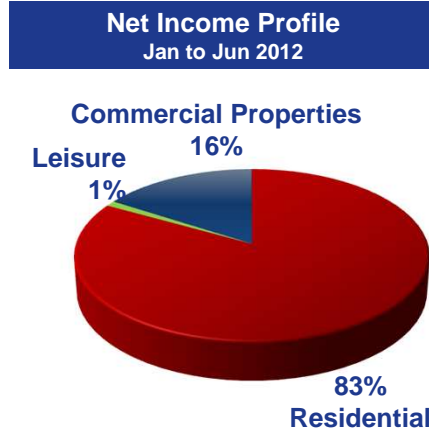
24



SM Land Inc.

| (Php billion) | Jan-Jun 2012 | Jan-Jun 2011 | % Chg |
|-----------------------------|--------------|--------------|-------|
| Revenues from Real Estate | 13.9 | 8.7 | 59% |
| Net Income from Real Estate | 3.1 | 2.5 | 24% |
| Consolidated Net Income | 3.2 | 2.4 | 37% |
| Net Margin (%)* | 23% | 27% | -- |

*Based on consolidated Net Income



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SM INVESTMENTS CORPORATION






SM DEVELOPMENT CORPORATION

**CREATING VALUE
AT ALL TIMES**





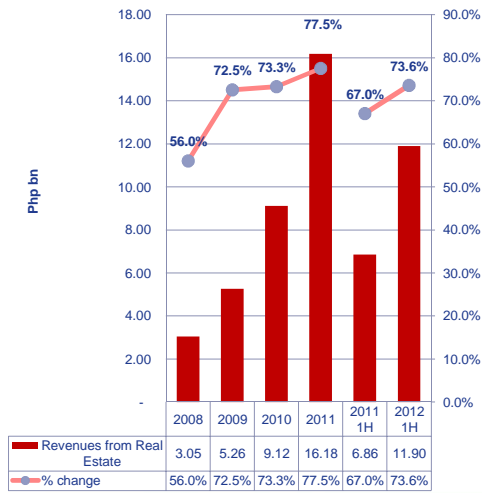

INVESTOR PRESENTATION



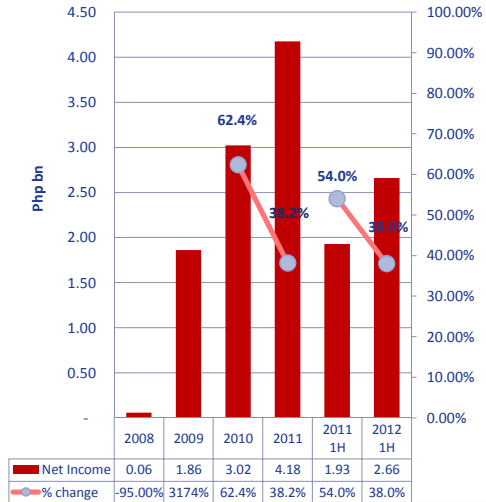
SM DEVELOPMENT

SM Development Corporation

REVENUES



NET INCOME

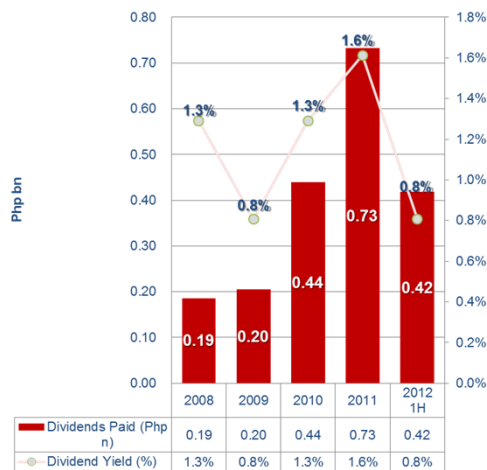


27



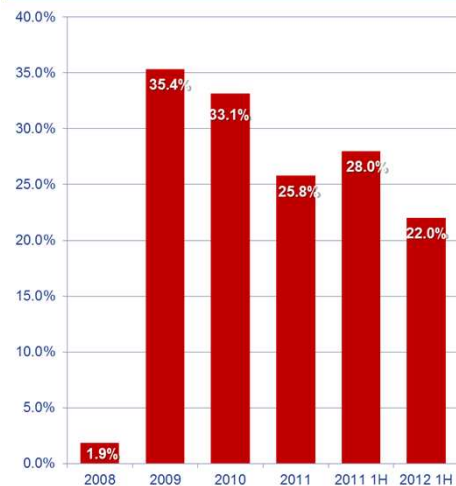
SM Development Corporation

DIVIDENDS



* Dividend yield Based on July 31, 2012 closing price

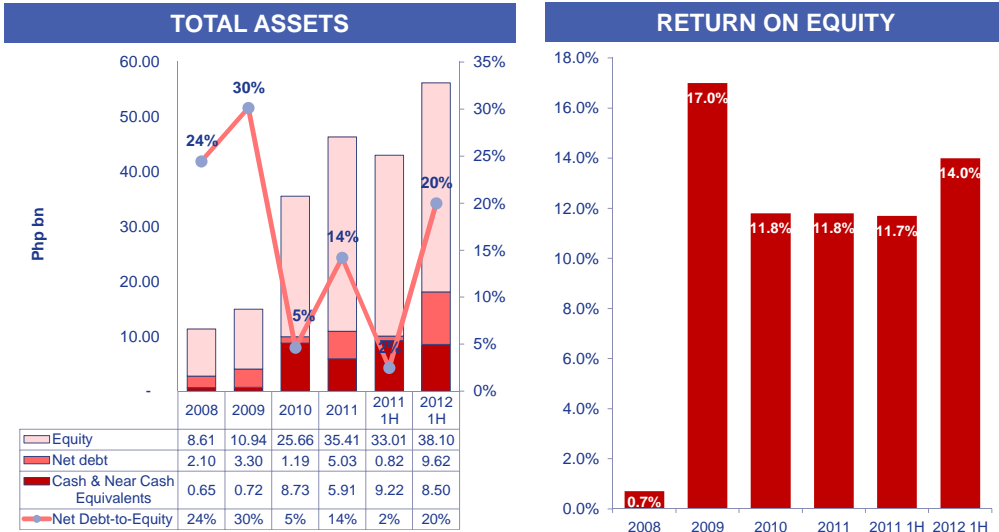
NET MARGIN



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SM Development Corporation

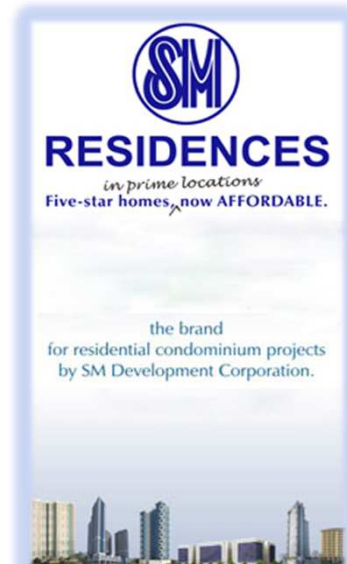


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SM Development Corporation Project Profile

| | |
|---|--------------|
| Total Projects to date since 2005 | 20 |
| Completed | 4 |
| Ongoing | 16 |
| Upcoming (2012) | 5 |
| Total Number of Units Made Available for Sale | 48,892 |
| Total Number of Units Sold | 37,677 |
| Per cent Sold | 77% |
| Number of Units Sold – 1H 2012 | 8,007(+72%) |
| Landbank | 119 hectares |



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Commercial Properties Group

- Demand for office space from BPO companies remains reasonably strong
- ThreeE-Com Center now under construction for completion in Q4 2014

| (In Php million) | Jan-Jun 2012 | Jan-Jun 2011 | % Chg |
|------------------------|--------------|--------------|-------|
| Revenues | 1,321 | 1,128 | 17% |
| Operating Expenses | 142 | 140 | 1% |
| Income from Operations | 615 | 514 | 20% |
| Net Income | 508 | 431 | 18% |

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Commercial Properties

| | | | |
|---|---|--|---|
|  | SM Cyber Baguio Harrison Rd. Baguio City Year completed: 2008 GFA: 12,990 sqm |  | OneE-com Center MOA Complex Pasay City Year completed: 2007 GFA: 100,035 sqm |
|  | SM Cyber Makati One Sen. Gil Puyat Ave., Makati City Year completed: 2008 GFA: 22,192 sqm |  | TwoE-com Center MOA Complex Pasay City Year completed: 2012 GFA: 107,862 sqm |
|  | SM Cyber Makati Two Sen. Gil Puyat Ave., Makati City Year completed: 2008 GFA: 16,725 sqm |  | ThreeE-com Center MOA Complex Pasay City Target completion: 2Q2015 GFA: 125,716 sqm |
|  | SM Cyber West Avenue EDSA cor, West Ave., Quezon City Target completion: 4Q2013 GFA: 42,892 sqm | Current GFA GFA by end 2014 | 302,696 sqm. 428,412 sqm. |

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Hotels & Conventions

- 1,019 hotel rooms by 2013
- 24,000 sqm of leasable convention and exhibit space

INVESTOR PRESENTATION



SM Hotels and Conventions

| | | | |
|---|---|--|--|
|  | Taal Vista Hotel Tagaytay City No. of Rooms: 261 |  | Park Inn Hotel Davao City Target completion: 2013 No. of Rooms: 204 |
|  | Radisson Blu Hotel Cebu City No. of Rooms: 400 |  | SMX Convention Center MOA Complex Pasay City GFA: 21,000 sqm |
|  | Pico Sands Hotel Pico de Loro, Nasugbu, Batangas No. of Rooms: 154 |  | SMX Convention Center SM Lanang, Davao City Target completion: 2H2012 GFA: 9,000 sqm |

Estimated Group Capex for 2012

| | Capex (Php bn) | Projects |
|------------------------|-------------------|---|
| Retail | 4.6 | New stores / Renovations |
| Malls | 20.9 | New SM malls and expansions for Philippines and China |
| Banks | 3.4 | IT, branch expansion |
| Property | 26.9 | Residential, ThreeE-com, Hamilo project |
| Hotels and Conventions | 1.0 | Park Inn Davao, SMX Davao, Mall of Asia hotel |
| Total | 56.8 | |

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SM FOUNDATION, INC.

| Education Advocacy | Health Advocacy | Livelihood Advocacy | Mall Outreach Program |
|---|---|---|--|
| Performance for 2011 | | | Donate-A-Book |
| <ul style="list-style-type: none"> • 1,031 Scholars • 125 Graduates • 52 Honor Students | <ul style="list-style-type: none"> • 85 Medical Missions • 77,865 Beneficiaries | <ul style="list-style-type: none"> • 11 Farmers Trainings • 1,000 Graduates | <ul style="list-style-type: none"> • 183,485 Books • 1,238 Beneficiaries Share-A-Toy <ul style="list-style-type: none"> • 10,600 Toys • 10,533 Beneficiaries Share Your Extras <ul style="list-style-type: none"> • 14,500 Donation Packs • 37,758 Beneficiaries |
| To Date from Inception | | | Operation Tulong 2011 |
| <ul style="list-style-type: none"> • 2,331 Scholars • 1,300 Graduates • 344 Honor Students | <ul style="list-style-type: none"> • 644 Medical Missions • 505,190 Beneficiaries | <ul style="list-style-type: none"> • 37 Farmers Trainings • 4,091 Graduates | <ul style="list-style-type: none"> • 6 Emergency Response Missions for 11 Municipalities |

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First Half 2012
Media & Analyst
Briefing

14 August 2012

CREATING VALUE
AT ALL TIMES



Except for historical financial and operating data and other information in respect of historical matters, the statements contained herein are "forward-looking statements". Any such forward-looking statement is not a guarantee of future performance and involves a number of known and unknown risks, uncertainties, and other factors that could cause the actual performance, financial condition or results of operation of SM and its subsidiaries to be materially different from any future performance, financial condition or results of operation implied by such forward-looking statement.

 INVESTMENTS
CORPORATION