



March 13, 2019

PHILIPPINE STOCK EXCHANGE, INC.
PSE Tower, 28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.
37/F, Tower 1, The Enterprise Center
6766 Ayala Ave., cor. Paseo de Roxas, Makati City

Attention: **Atty. Joseph B. Evangelista**
Head, Issuer Compliance and Disclosure Department

Ladies and Gentlemen:

We write in connection with the request of the Philippine Stock Exchange for clarification of the news article entitled "SMIC allots P98b for 2019 investments" posted on Manila Standard (Internet Edition) on March 12, 2019, the pertinent portion of which reads:

"SM Investments Corp., the holding company of the Sy family, earmarked P98 billion for 2019 capital expenditures to support the expansion of its real estate, banking and retail businesses.

....

The conglomerate will allocate P9 billion to P12 billion for banking units BDO Unibank Inc. and China Banking Corp. for branch expansion and IT enhancements.

...."

We confirm above news article and further clarify that the capital expenditure of BDO Unibank, Inc. for branch expansion and information technology enhancements is approximately P8 billion.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Elmer B. Serrano'.

ELMER B. SERRANO
Corporate Information Officer