

October 13, 2008

**PHILIPPINE STOCK EXCHANGE**  
Exchange Road, Ortigas Centre  
Pasig City

Attention : Atty. Pete M. Malabanan  
Head - Disclosure Department

Re : **SM Investments Corporation**  
**SEC Reg. No. 16342**

Dear Atty. Malabanan:

This is in reference to your memo dated October 13, 2008, requesting for confirmation on the veracity of the following quoted news article entitled "SMIC confirms interest in Philamlife".

The business empire of retail and mall magnate Henry Sy is prepared to join financial forces with foreign partner to purchase Philamlife (Philippine American Life and General Insurance Co.) group of companies that comes with a flood price of at \$500 million. In an interview with Business Bulletin before the week ended, SM Investments Corporation (SMIC) Vice Chair Teresita Sy-Coson confirmed her family's interest to buy Philamlife... However, Sy-Coson pointed out that to be financially equipped to bid for Philamlife, BDO or SMIC, whichever will be the entity used in the quest, will have to do it through a joint venture with a foreign partner....

We confirm SMIC / BDO's interest to purchase Philamlife, together with a foreign partner.

Thank you.

Very truly yours,



**Jose T. Sio**  
Executive Vice President and CFO  
Corporate Information Officer