

COVER SHEET

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SEC Registration Number

S	M	P	R	I	M	E	H	O	L	D	I	N	G	S	,	I	N	C	.	A	N	D	S	U	B	S	I
D	I	A	R	I	E	S																					

(Company's Full Name)

B	u	i	l	d	i	n	g	A	,	S	M	C	o	r	p	o	r	a	t	e	O	f	f	i	c	e	s	,
1	0	0	0	J	W	D	i	o	k	n	o	B	o	u	l	e	v	a	r	d	,	M	a	l	l	o	f	
A	s	i	a	C	o	m	p	l	e	x	,	P	a	s	a	y	C	i	t	y	1	3	0	0				

(Business Address: No. Street City/Town/Province)

Mr. Jeffrey C. Lim

(Contact Person)

831-1000

(Company Telephone Number)

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Month Day
(Calendar Period)

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(Form Type)

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Month Day
(Annual Meeting)

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(Secondary License Type, If Applicable)

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

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Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

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File Number

_____ LCU

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Document ID

_____ Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE (SRC) AND SRC RULE 17(a)-1(b)(3) THEREUNDER

1. August 1, 2011
Date of Report

2. SEC Identification Number AS094-000088 3. BIR Tax Identification No. 003-058-789

4. SM PRIME HOLDINGS, INC.
Exact name of registrant as specified in its charter

5. PHILIPPINES 6. (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:

7 SM Corporate Offices, Building A, 1000 J.W. Diokno Boulevard, Mall of Asia Complex, Pasay City, Philippines 1300
Address of principal office Postal Code

8. (632) 831-1000
Registrant's telephone number, including area code

9. _____
Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON STOCK, P1 PAR VALUE	13,898,943,067
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.....	
.....	

11. Indicate the item numbers reported herein: ITEM # 9, LETTER B.



Press Release

SM Prime Boosts First Half 2011 Profits by 14% to Php4.27 Billion

(01 August 2011. Pasay City, Philippines.) SM Prime Holdings, Inc. (SM Prime), the Philippines' dominant shopping mall developer and operator, posted a better than expected 14% increase in net income for the first six months of 2011, to Php4.27 billion from Php3.76 billion in the same period last year. Revenues, on the other hand, reached Php12.71 billion, for a 12% increase, year-on-year. EBITDA for the period was at Php8.68 billion, for an increase of 12% and an EBITDA margin of 68%. Better growth resulted from the opening of new Philippine malls in 2010, same store sales of 7%, much improved performance in SM's China malls and lower borrowing cost. The latter is a result of lower interest rates and debt management initiative which includes the prepayment of higher interest-bearing loans through refinancing that also lengthened the maturity of the company's loans.

SM Prime President Mr. Hans T. Sy said, "For the first half of this year, SM Prime exceeded expectations by continuing to implement its proven business model which focuses on building long-term tenant relationships and effective innovation. This is further supported by a capable organization that is firmly committed to satisfy the various requirements of our millions of loyal customers."

First half rental revenues grew 15% to Php10.92 billion, as compared to Php9.49 billion during the same period last year. The increase was brought about by healthy consumer spending which resulted in a 7% growth in same store sales and additional rental space from the opening of new SM malls in 2010. These malls are SM City Tarlac, SM City San Pablo, SM City Calamba, and SM City Novaliches. Cinema ticket sales amounted to Php1.30 billion, compared to Php1.37 billion during the same period last year due to a low turnout of blockbuster movies during the period.

Operating expenses during the first six months of 2011 rose 11% to Php5.92 billion from Php5.32 billion due to an increase in administrative expenses. Income from operations increased to Php6.79 billion, up 13% from Php5.98 billion.

In terms of gross revenues, the three malls in China contributed Php0.98 billion for the first half, or 8% of total consolidated revenues. In terms of net income, the three malls contributed Php0.21 billion for the six-month period, or 5% of total consolidated net income. The SM China malls are enjoying healthy increases in rental rates, and much higher occupancy levels, particularly in SM Xiamen's Lifestyle Center and SM Chengdu. Rental revenues grew sharply by 57% to Php0.95 billion. The average occupancy rate for the three malls in China is now at 91%.

For the second quarter of 2011, SM Prime reported a 15% growth in consolidated net income of Php2.15 billion from Php1.87 billion during the same period in 2010. Consolidated revenues grew 12% to Php6.64 billion, compared to Php5.92 billion during the second quarter of 2010. EBITDA for April to June 2011 rose 13% to Php4.48 billion, for an EBITDA margin of 68%.

In May of this year, SM City Masinag opened with 90,261 sqm of space. Later this year, SM Prime is set to open SM City San Fernando in Pampanga, SM City Olongapo in Zambales, and SM City Suzhou in China. The company is also set to expand two of its existing malls in the Philippines, namely SM City Davao in Southern Mindanao and SM City Dasmariñas in Cavite. By year-end, SM Prime will have 43 malls in the Philippines and four in China, with an estimated GFA of 5.2 million sqm in the Philippines and 0.6 million sqm in China.

As part of SM Prime's commitment to a sustainable environment, the company held last 22 June 2011 at the SMX Convention Center in Pasay City its annual Green Retail Agenda, which had for its theme Empowerment by Sustainability. The conference focused on the company's initiatives geared towards the environment, with emphasis on the many benefits of green retailing. In addition, SM Prime is also now a member of the United States Green Building Council (USGBC), which is a coalition that works to transform the way buildings and communities are designed, built, and operated, thus resulting in a socially responsible, healthy, and prosperous environment that improves the quality of life. Consequently, upcoming SM malls will incorporate environment-friendly design features, while several existing SM malls are scheduled for renovation to transform them into energy-saving, green buildings.

For instance, SM Aura in Taguig aims to be the first mall in the country to be certified via LEED or Leadership in Energy and Environmental Design, the internationally recognized standard for green building design and construction developed by the USGBC. SM Prime is undertaking other green initiatives, particularly with its new malls, which will be announced on their opening.

-End-

For further information, please contact:

Mr. Jeffrey C. Lim

Executive Vice President

SM Prime Holdings, Inc.

Email: jeffrey.lim@smprime.com

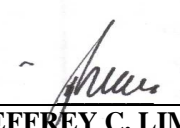
Tel no: 831-1000 loc. 1401

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SM PRIME HOLDINGS, INC.
Registrant

Date: August 01, 2011



JEFFREY C. LIM
Executive Vice President