

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. May 8, 2006
Date of Report

2. SEC Identification Number 0000-88

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, 2000 Bay Boulevard, SM Central Business Park, Bay City, Pasay City, Metro Manila 1226
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	9,935,294,157
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11. Indicate the item numbers reported herein: ITEM # 9, LETTER B.

SM Prime revenue registers 15% growth for Q1

SM Prime Holdings, Inc., the country's leading shopping mall developer and operator, posts 15% increase in gross revenues for the three months ended March 31, 2006 to P2.85 billion from P2.49 billion in the same period 2005. Rental revenues remain the largest portion, with a similar growth of 15% amounting to P2.35 billion from last year's P2.04 billion. This is largely due to rentals from new SM Supermalls opened in the second half of 2005 and 2006, namely, SM City San Lazaro, SM Supercenter Valenzuela, SM Supercenter Molino and SM City Sta. Rosa. Currently, these new malls have an average occupancy level of 95%. Cinema ticket sales showed a strong performance of 20% increase due to more blockbuster films in 2006 compared to the same period in 2005 and the huge success of the 2005 Metro Manila Film Festival which extended up to January 2006.

Income from operations enjoyed a significant growth of 22% from P1.40 billion in 2005 to P1.71 billion in 2006. Operating expenses exhibited a minimal increase of 6% due to the Company's concerted efforts at maintaining operational efficiency.

Net income for the first quarter ended March 31, 2006 increased 8% at P1.34 billion from same quarter 2005 of P1.24 billion. Other income decreased 64% due to higher interest expense resulting from new borrowings. Corporate income tax rates were also increased from 32% to 35% effective November 1, 2005 as required by R.A. No. 9337.

On May 21, 2006, the Company is set to open the Mall of Asia. Located on a 60 hectare property overlooking Manila Bay, the 386,000 square meter complex consists of four buildings linked by elevated walkways - Main Mall, the North Parking Building, the South Parking Building, and the Entertainment Center Building.

The Main Mall will include shopping and dining establishments, the Food Court, and the country's first Olympic size ice skating rink. The North Parking Building will house the SM Department Store and half of the 5,000 parking spaces, while the South Parking Building will include the SM Hypermarket and more dining areas. One of the Mall's main attractions is the Entertainment Center Building, which will offer a spectacular view of the Bay from its row of trendy restaurants, but which will also house bowling and billiard facilities, and ten theaters including a Director's Club and the country's first IMAX theater.

Other malls scheduled to open in 2006 are SM City Clark on May 12, SM Supercenter Frontera Verde and SM City Lipa. Total gross floor area will increase to 3.5 million square meters by end 2006.

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: May 8, 2006

JEFFREY C. LIM
VP - Finance and Administration