

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 6, 2008
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	12,435,294,157
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.....	

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

PRESS RELEASE

SM Prime first quarter 2008 net income up 7% to Php1.6 bn

(Pasay City, Philippines. 06 May 2008) SM Prime Holdings, Inc., the country's leading shopping mall developer and operator, attained a 7% increase in net income of Php1.6 billion for the first quarter of 2008. EBITDA increased 9% to Php2.7 billion during the period, for an EBITDA margin of 72%.

Gross revenues, on the other hand, increased by 8% to Php3.8 billion, largely due to expanded rental revenues brought in by three new malls opened in 2007 namely, SM City Bacolod, SM City Taytay, and SM Supercenter Muntinlupa.

For the first quarter of 2008, rental revenues from all the malls, which accounted for 85% of total revenues, grew 10% to Php3.3 billion. Same store rental growth was at 5% despite the on-going redevelopment plan in SM Megamall and SM North Edsa. The absence of blockbuster movies shown during the period resulted in a flat growth for cinema ticket sales.

Meanwhile, as expected on account of the new mall openings last year, operating expenses increased by 6% to Php1.6 billion. In spite of this, however, operating income grew by 9% to Php2.2 billion during the period mainly due to cost saving measures implemented in the malls.

SM Prime President Mr. Hans T. Sy said, "SM Prime continued to exhibit growth in the first quarter amid a more challenging environment, as we stay focused on making SM malls an exciting place to shop, dine and spend time with family and friends. As such, we are moving ahead with our expansion program as planned."

This year, SM Prime is set to open SM City Marikina in Metro Manila, SM City Baliuag in Bulacan, and SM Supercenter Rosales in Pangasinan, increasing the total number of malls to 33. SM Malls currently being expanded are SM Megamall and SM City Fairview. Total GFA will reach 4.2 million sqm by the end of the year.

- end -

For further information, please contact:

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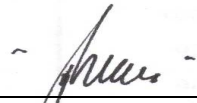
SIGNATURES

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 6, 2008



JEFFREY C. LIM
Executive Vice President