C06641-2017

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. Date of Report (Date of earliest event reported)
   Nov 7, 2017
2. SEC Identification Number
   PW-277
3. BIR Tax Identification No.
   000-060-741-000
4. Exact name of issuer as specified in its charter
   SAN MIGUELC CORPORATION
5. Province, country or other jurisdiction of incorporation
   Philippines
6. Industry Classification Code(SEC Use Only)

7. Address of principal office
   40 San Miguel Avenue, Mandaluyong City, Metro Manila, Philippines
   Postal Code
   1550
8. Issuer's telephone number, including area code
   (632) 632-3000
9. Former name or former address, if changed since last report
   N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
SMC	2,382,265,715
SMCP1	279,406,667
SMC2B	90,428,200
SMC2C	255,559,400
SMC2D	89,333,400
SMC2E	134,000,100
SMC2F	223,333,500
SMC2G	66,666,600
SMC2H	164,000,000

SMC2I	169,333,400

11. Indicate the item numbers reported herein

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The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

San Miguel Corporation
SMC

PSE Disclosure Form 4-2 - Acquisition/Disposition of Shares of Another Corporation

References: SRC Rule 17 (SEC Form 17-C) and Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure
Consolidation of the Food and Beverage Business of the Company: Additional Subscription of the Company in San Miguel Pure Foods Company, Inc. (“SMPFC”)
Background/Description of the Disclosure
The Company will subscribe to additional 4,242,549,130 common shares (the “New Shares”) in SMPFC. In consideration of the issuance of New Shares, the Company will convey and transfer to SMPFC the common shares of the Company in San Miguel Brewery Inc. (“SMB”) and Ginebra San Miguel Inc. (“GSMI”) (the “Transaction”).

Date of Approval by Board of Directors	Nov 3, 2017

Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction
The Transaction is expected to result in synergies in the food and beverage business units of the San Miguel Group, unlock greater shareholder value by providing a sizeable consumer vertical market under the Company, and provide investors direct access to the consumer business of the San Miguel Group through SMPFC.

Details of the acquisition or disposition

Date	TBA

Manner
Share-swap

Description of the company to be acquired or sold
SMPFC is the food business subsidiary of the Company. It holds numerous market leading positions and offering a wide range of high quality food products and services to household, institutional and food service customers. It has some of the most recognizable brands in the Philippine food industry, including Magnolia, Monterey, Purefoods, Star, Dari Crème, San Mig Coffee, La Pacita and B-Meg. The common and the preferred shares of SMPFC are listed at the Philippine Stock Exchange under stock symbols PF and PF-P2.

The terms and conditions of the transaction

Number of shares to be acquired or disposed	4,242,549,130
Percentage to the total outstanding shares of the company subject of the transaction	71.8
Price per share	79.28

Nature and amount of consideration given or received
SMPFC will issue 4,242,549,130 common shares to the Company in exchange for the following: (a) 7,859,319,270 common shares of SMB, and (b) 216,972,000 common shares of GSMI (collectively, the “Exchange Shares”)

Principle followed in determining the amount of consideration
The Company engaged ING Bank N.V. as its valuation advisor for the Transaction. The methodology used in determining the valuation of the price per share of SMPFC, SMB and GSMI was discounted cash flow approach, supplemented and validated by reference to industry comparables for similar transactions involving equivalent market-leading peers.

Terms of payment
The Company will convey and transfer to SMPFC the SMB and GSMI shares in exchange for SMPFC issuing New Shares to the Company.

Conditions precedent to closing of the transaction, if any
The closing of the Transaction is conditioned on the approval by the Securities and Exchange Commission of the application for the amendment of the Articles of Incorporation of SMPFC to: (a) expand the primary purpose of SMPFC; (b) reduce the par value of its common shares from Php10.00 to Php 1.00 per share; (c) deny pre-emptive rights to the issuance of additional common shares; and (d) increase the authorized capital stock. The New Shares shall be issued out of the increase in the authorized capital stock of SMPFC.

Any other salient terms
SMPFC will change its name to “San Miguel Food and Beverage, Inc.”

Identity of the person(s) from whom the shares were acquired or to whom they were sold

Name	Nature of any material relationship with the Issuer, their directors/ officers, or any of their affiliates
San Miguel Pure Foods Company, Inc.	Subsidiary

Effect(s) on the business, financial condition and operations of the Issuer, if any
Upon completion of the Transaction, SMB and GSMI will remain under the San Miguel Group as subsidiaries of SMPFC. SMC will retain control of SMPFC, with an increased ownership interest of approximately 95.9%. SMC will maintain the status of SMPFC as a listed company.

Other Relevant Information
(a) On the percentage of the total outstanding shares of the company subject of the Transaction, kindly note that the above indicated percentage takes into account the total outstanding common shares of SMPFC after the stock split and after the issuance of the New Shares out of the unissued SMPFC shares out of the increase in the authorized capital stock. At the completion of the Transaction, the Company will own 95.87% of the total outstanding common shares of SMPFC. The issuance of the New Shares and the subscription thereof by the Company will increase the shareholdings of the Company of the common shares of SMPFC from 85.37% to 95.87%. (b) On the question "Identity of the persons from whom the shares were acquired, please note that the Company will subscribe to newly issued shares. Mr. Eduardo M. Cojuangco, Jr. is the Chairman of the Board of Directors of the Company and GSMI. Mr. Ramon S. Ang is a member of the Board of Directors of the Company (where he is President), SMPFC (where he is Vice Chairman), GSMI (where he is President) and SMB (where he is Chairman). Mr. Ferdinand K. Constantino is a member of the Board of Directors of the Company and SMB. Mr. Francisco S. Alejo III is a member of the Board of Directors of the SMPFC and GSMI. Mr. Menardo R. Jimenez is a member of the Board of Directors of the Company and SMPFC.

Filed on behalf by:

Name	Mary Rose Tan
Designation	Associate General Counsel and Assistant Corporate Secretary