



SAN MIGUEL CORPORATION

March 14, 2017

The Philippine Stock Exchange, Inc.
Disclosure Department
3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Mr. Jose Valeriano B. Zuño III**
OIC-Head, Disclosure Department

Gentlemen:

We reply with respect to the news article entitled "SMB income up 31% to P17.7 B" posted in The Philippine Star (Internet Edition) on March 14, 2017. The article reported in part that:

"MANILA, Philippines - San Miguel Brewery Inc. (SMB) posted a net income of P17.7 billion last year, up 31 percent year on year on increased revenues. Consolidated revenues rose 18 percent to P97.2 billion while operating income went up to P27.2 billion.

...."

By way of response to the Exchange, we confirm that San Miguel Brewery Inc. posted a net income of P17.7 billion for 2016, an improvement of 31% year on year, and the consolidated revenues and operating income of the Company reached P97.2 billion and P27.2 billion, respectively, as reported in the aforementioned article.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer