



SAN MIGUEL CORPORATION

May 10, 2018

The Philippine Stock Exchange, Inc.

Disclosure Department
9th Floor, Philippine Stock Exchange Tower
28th Street, corner 5th Avenue
Bonifacio Global City, Taguig City

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

Re: **Issuance of Corporate Notes**

Gentlemen:

We advise that, at the Regular Meeting of the Board of Directors of San Miguel Corporation (the "Corporation") held today, May 10, 2017, the Board of Directors of the Corporation approved the issuance of peso-denominated fixed-rate notes ("Notes") in the amount of up to ₱20.0 Billion. The Notes shall be enrolled at the Philippine Dealing Exchange and are exempt from registration with the Securities and Exchange Commission since they will be sold only to qualified institutional buyers. The entire proceeds for the Issue will be used either for: (i) refinancing of existing loan obligations and/or redenomination of US Dollar denominated obligations of the Company or (ii) additional investments in subsidiaries of the Company. The Notes will be issued on May 25, 2018 in scripless form, in minimum denominations of ₱50,000,000.00 each, and in integral multiples of ₱5,000,000.00 thereafter. The Notes to be issued will have 2 tenors: (i) Series A – Two years and (ii) Series B – Two years with a Noteholder Put Option.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer 