SAN MIGUEL CORPORATION

August 22, 2019

The Philippine Stock Exchange, Inc.
Disclosure Department
6th Floor, Philippine Stock Exchange Tower
28th Street, corner 5th Avenue
Bonifacio Global City, Taguig City

Attention: **Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

We reply with respect to the news articles published in various newspapers on August 22, 2019. In the attached news article entitled "SMC Plans P10-B Bond Offering" posted in Inquirer.net on August 22, 2019, it was reported in part that:

> "Conglomerate San Miguel Corp. (SMC) plans to raise as much as P10 billion from a fresh offering of local bonds with a likely tenor of five years.
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> In a brief chat on the sidelines of the UN Global Compact-Global Reporting Initiative, SMC senior vice president Sergio Edeza said the conglomerate was set to meet with qualified investors on Thursday to discuss the proposed bond foray.
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> Edeza said proceeds from the proposed P10-billion bond float would be used to cover some maturing debt.
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> The offering is also part of SMC's existing P60-billion bond shelf registration approved by the Securities and Exchange Commission in March. SMC has yet to file a prospectus for this tranche.
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> . . . ."

We confirm that San Miguel Corporation (the "Company") plans to raise the amount of up to P10 B from a local bond offering which will have an indicative tenor of five (5) years, as disclosed by Mr. Sergio G. Edeza, Senior Vice President, Corporate Treasury of the Company, and reported to the aforementioned article. The offering is part of the P60 Billion bond shelf registration previously approved by the Securities and Exchange Commission. The proceeds of the bond offering will be used to pay the maturing obligations of the Company.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer