SAN MIGUEL CORPORATION

November 13, 2018

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:

Please see attached press statement of the Company entitled "SMC revenues up 28% to P761-B in first 9 months; recurring net income rose 20% to P52.4-B".

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer

News Release

SMC CORPORATE AFFAIRS OFFICE
40 San Miguel Avenue, Mandaluyong City,
1550 Metro Manila, Philippines

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SMC revenues up 28% to P761-B in first 9 months; recurring net income rose 20% to P52.4-B

San Miguel Corporation reported sustained growth momentum throughout the first nine months of the year with all its major businesses—food and beverage, packaging, fuels and petrochemicals, power generation, and infrastructure—posting strong sales performance.

Consolidated revenues reached P761.2 billion, up 28% from the same period last year, driven by robust volumes and favorable selling prices.

Consolidated operating income increased 18% to P98 billion, while consolidated EBITDA rose 15% to P124.8 billion.

Excluding the effects of unrealized foreign exchange translation, consolidated recurring net income reached P52.4 billion, up 20% from 2017.

Food and Beverage

San Miguel Food and Beverage, Inc., comprised of San Miguel Brewery, Ginebra San Miguel, and the San Miguel Food Group, sustained strong growth, on the back of higher volumes across all three segments.

Consolidated revenues of P206.6 billion were 15% better than the P180.4 billion registered in 2017. Operating income and net income both grew 17% to P34 billion and P22.9 billion, respectively.

San Miguel Brewery Inc. domestic operations registered robust volumes, 11% higher than last year. Ginebra San Miguel Inc. also posted volume growth of 13%.

Meanwhile, almost all segments under the Food Group registered double-digit revenue growth, resulting from increased volumes and favorable selling prices.

Power

SMC Global Power Holdings Corp. posted consolidated off-take volume of 17,670 gwh, up 38% from the previous year. This was attributed to additional generation from the Limay, Malita and Masinloc plants and higher contributions from the Sual and San Roque plants.

Consolidated revenues reached P89.1 billion, up 43% from the P62.1 billion posted in 2017. Operating income rose 31% to P25.8 billion.

Fuels, Oils, and Petrochemicals

Petron Corporation's consolidated net income rose 3% to P12.1 billion in the first nine months from P11.8 billion a year ago.

Despite an industry-wide decline in demand due to high pump prices, Petron maintained modest growth with sustained domestic volumes, robust results from its Malaysia operations, and contributions from its petrochemical business.

Combined revenues from the Philippines and Malaysia amounted to P419.9 billion, a 34% jump from the P313.5 billion posted in the same period last year.

Consolidated volumes totaled 81.4 million barrels, nearly 1.2 million barrels higher than the previous year, as retail sales in Malaysia grew 10%, even as Philippine volumes increased 1%.

Infrastructure

San Miguel's infrastructure business posted a 10% growth in consolidated revenues and operating income at P18.1 billion and P8.9 billion, respectively due to higher volume along its operating toll roads.

It also reported that construction of major infrastructure projects such as Skyway Stage 3, MRT7, and the Bulacan Bulk Water project, continues to be on track.