



SAN MIGUEL CORPORATION

March 31, 2015

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

Attention: **Ms. Janet A. Encarnacion**
Head- Disclosure Department

Re: **Re-Issuance and Private Placement of Series "1"**
Preferred Shares

Gentlemen:

Further to our disclosure dated March 26, 2015, and pursuant to the authority of the Board of Directors of the Company given on March 26, 2015, we advise that the Company has entered into and executed subscription agreements on March 31, 2015 for the private placement and purchase of 279,406,667 Series "1" Preferred Shares with the parties specified below, namely:

<u>Name of Subscriber</u>	<u>No. of Shares Subscribed</u>
Gingcoog Holdings Corporation	83,822,000
Lucena Holdings Corporation	89,410,133
Metroplex Holdings Corporation	106,174,534

The salient terms and conditions of the re-issuance of the Series "1" Preferred Shares are as follows:

- Issue Size: 279,406,667 Series "1" Preferred Shares
- Issue Price: Php 75.00 per share
- Dividend Rate: 5.635% per annum
- Perpetual, cumulative and non-voting
- Redeemable at the option of the Company three (3) years from date of issuance

The closing and full payment of the purchase price under the subscription agreements shall be subject to the fulfillment of the conditions. The Company shall (i) make the appropriate disclosures upon the completion of the closing conditions under the subscription agreements, and (ii) file with the Exchange the appropriate applications for the lifting of the suspension of trading of the Series "1" Preferred Shares referred to above.

Very truly yours,

MARY ROSE S. TAN
Assistant Corporate Secretary