



SAN MIGUEL CORPORATION

May 11, 2012

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

Gentlemen:

Enclosed is a copy of our press statement entitled "SMC Q1 income up 19% to P8.5 billion" which we will release to the press today.

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 Q1 income up 19% to P8.5 billion

Following a strong 2011 performance, diversified conglomerate San Miguel Corporation (SMC) reported robust first quarter results for the year, on the back of solid contributions from all its business units.

San Miguel reported first quarter consolidated sales revenues of P142.0 billion, a 12% improvement from year-ago level, with majority of its businesses posting strong revenue growth as a result of higher volumes and better selling prices.

Consolidated net income attributable to equity holders amounted to P8.5 billion, 19% higher than in 2011. Consolidated net income before non-controlling interest, meanwhile, amounted to P11.7 billion, up 17% from the same period last year.

Operating income was at P14.8 billion while consolidated recurring EBITDA grew 6% to P21.6 billion.

San Miguel Brewery Inc.'s consolidated revenues, meanwhile, reached P18.3 billion, up 5% from the previous year. Overseas volumes also improved, growing by 9%, with Indonesia, Hong Kong, and Thailand posting good numbers and China showing much improvement.

Operating income grew 5% to P5.3 billion with improvements in efficiency, management of fixed costs, and significant improvements in international operations.

San Miguel's Food Group, under San Miguel Pure Foods Company Inc., posted first quarter consolidated revenues of P22.4 billion, 9% higher than in the same period last year. The company attributed the growth to higher demand and favorable selling prices across its businesses. However, higher raw material prices and the proliferation of import commodity products took a toll on its operating income, which stood at P659 million.

The San Miguel Packaging Group, for its part, posted a 3% improvement in revenue at P5.9 billion, pushed by higher domestic sales and solid performance from its export business.



Operating income for San Miguel Yamamura Packaging improved 11% to P511 million, as a result of efficiency initiatives, fixed cost management and lower raw material prices.

Petron Corporation, for its part, reported a 4% growth in its sales volume, with more than 12 million barrels sold in the first quarter. Most of its products registered positive growth, with domestic volumes growing by 8%, resulting to a 17% rise in revenues to P74.7 billion. Operating income was at P4.6 billion with net income of P2.5 billion.

The company reported that it is consolidating its infrastructure business with the fast-tracking of the upgrading of the Boracay Airport, ongoing construction of the Tarlac-Pangasinan-La Union Expressway (TPLEX) and initiation of the MRT-7 project. Among its recent acquisitions are stakes in the firm operating the South Luzon Expressway and Skyway system.

Recently, SMC announced its entry into Philippine Airlines and Air Philippines via a 49% equity interest in the holding companies of both airlines.

Its oil refining and fuel flagship, Petron, has also completed the acquisition of 65% of Esso Malaysia Berhad and 100% of ExxonMobil Malaysia Sdn Bhd and Exxon Mobil Bornero Sdn Bhd.

For media inquiries, please call:

Mary Jane Llanes / Jayson B. Brizuela / Jon Hernandez
SMC Media Affairs Group
632-3162 / 632-3541