SAN MIGUEL CORPORATION

March 19, 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

Gentlemen:

We advise that Company has made an announcement in the Singapore Stock Exchange (SGX) on the tender offer for purchase of up to US$400,000,000.00 of the US$800,000,000.00 4.875% notes due in 2023. Attached for your reference is a copy of the announcement posted on the Company Announcements section of the SGX website.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer

ANNOUNCEMENT

TENDER OFFER FOR PURCHASE OF SENIOR NOTES

San Miguel Corporation

(incorporated with limited liability in the Republic of the Philippines)

(**SMC** or the **Company**)

to the holders of its outstanding

U.S.$800,000,000 4.875 per cent. Notes due 2023

(the **Notes**, and all holders of such Notes, the **Noteholders**)

In April 2013, San Miguel Corporation (**SMC**, or the **Company**) issued US$800,000,000 aggregate principal amount of 4.875 per cent. Notes due 2023 (ISIN: XS0921226386). As at the date hereof, the aggregate outstanding principal amount of the Notes is US$800,000,000. The Notes are listed on the Singapore Exchange Securities Trading Limited.

The Notes	U.S.$800,000,000 4.875 per cent. Notes due 2023 (ISIN/ Common Code: XS0921226386/ 092122638).
Modified Dutch Auction Bid Range	Between **92.5 per cent. and 95.0 per cent.** of the nominal amount of the Notes that are validly tendered by the Expiration Deadline and accepted by the Company for purchase pursuant to such tender. The Purchase Price (as defined below) will be increased by **1.25 per cent.** for the relevant Notes of each Noteholder that are validly tendered for purchase by the Early Tender Deadline and accepted by the Company pursuant to such tender.
Maximum consideration for an early tender	Between **93.75 per cent.** and **96.25 per cent.**
Maximum consideration for a tender (that is *not* an early tender)	Between **92.5 per cent.** and **95.0 per cent.**
Early Tender Deadline	6.00 p.m. (London time) on 26 March 2015 (subject to the right of the Company to extend, re-open, amend and/or terminate the Offer).
Expiration Deadline	4.00 p.m. (London time) on 1 April 2015 (subject to the right of the Company to extend, re-open, amend and/or terminate the Offer).
Outstanding Nominal Amount	U.S.$800,000,000
Amount subject to the Offer	Up to U.S.$400000,000 in aggregate nominal amount of the Notes validly tendered and accepted for purchase (subject to the right of the Company to amend such amount as provided in the Tender Offer Memorandum (as

	defined below))

On the terms and subject to the conditions described in the tender offer memorandum dated 19 March 2015 (the **Tender Offer Memorandum**), the Company proposes to accept for purchase up to U.S.$400,000,000 in aggregate nominal amount of the Notes (the **Acceptance Amount**) and invites the holders of the Notes (the **Noteholders**) to tender the Notes for purchase by the Company for cash (the **Tender Offer**). The purchase price will be determined pursuant to a modified Dutch auction at between 92.5 per cent. and 95.0 per cent. (the "**Purchase Price**") of the nominal amount of the Notes validly tendered and accepted for purchase. In addition, the Purchase Price will be increased by 1.25 per cent. (the **Early Tender Premium**) (the Purchase Price so increased, the **Early Tender Purchase Price**) for the relevant Notes of each Noteholder that are validly tendered for purchase by 6 p.m. (London time) on 26 March 2015, unless extended or amended, (the **Early Tender Deadline**) and accepted by the Company pursuant to such tender. The Tender Offer will commence on 19 March 2015 and will end at 4:00pm (London time) on 1 April 2015, unless extended by the Company as provided in the Tender Offer Memorandum (the **Tender Offer Period**). Subject to applicable law and as provided in this Tender Offer Memorandum, the Company may, in its sole discretion, extend, re-open, amend, waive any condition of, increase or decrease the minimum and maximum Purchase Price, Early Tender Premium, Acceptance Amount, extend or amend the Tender Offer Period or terminate the offer at any time.

On the Settlement Date, Company will also pay interest accrued and unpaid on the Notes from (and including) the immediately preceding interest payment date for such Notes to (but excluding) the Settlement Date (the **Accrued Interest**).

Notes purchased by the Issuer pursuant to the Tender Offer will be cancelled and will not be re-issued or re-sold. Notes which have not been validly submitted and accepted for purchase pursuant to the Tender Offer will remain outstanding.

The Offer is made in accordance with the Company's policy to actively manage its balance sheet liabilities and to achieve a lower running cost of debt.

If a Noteholder wishes to tender any of its Notes pursuant to the Tender Offer, Tender Instructions (as defined in the Tender Offer Memorandum) must be submitted by or on its behalf to the Tender Agent (as defined in the Tender Offer Memorandum) during the Tender Offer Period. Only a Direct Participant (as defined in the Tender Offer Memorandum) in a Clearing System (as defined in the Tender Offer Memorandum) can properly instruct that Clearing System with regard to submitting a Tender Instruction. If a Noteholder holds its Notes through a custodian, it may not submit a Tender Instruction directly. It should therefore contact its custodian to instruct its custodian to submit a Tender Instruction on its behalf.

The final results of the Tender Offer are expected to be announced as soon as reasonably practicable after the Pricing Date (as defined in the Tender Offer Memorandum). The Company will announce whether it will accept valid tenders of the Notes pursuant to the Offer and, if so accepted, the Acceptance Amount, the Early Tender Purchase or the Purchase Price, as the case may be, the Scaling Factor (if applicable) and Accrued Interest (expressed as a percentage of the nominal amount of the Notes).

The Settlement Date for the Tender Offer is expected to be no later than 10 April 2015. All purchases pursuant to the Tender Offer will settle through the normal procedures of one of the Clearing Systems. The aggregate amounts of the Early Tender Purchase Price or the Purchase Price, as the case may be, and the Accrued Interest Payment for Notes validly tendered in the Offer and accepted for purchase by the Company, in each Clearing System will be paid, in immediately available funds, on the Settlement Date to such Clearing System for payment to the cash accounts of the relevant Noteholders in the Clearing System. The payment of such aggregate amounts to the Clearing Systems will discharge the obligations of the Company to all such Noteholders in respect of the payment of the Early Tender Purchase Price or the Purchase Price, as the case may be, and the Accrued Interest Payment.

This announcement does not constitute an offer to buy or a solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Offer will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In any jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer and the Dealer Manager or any of its affiliates is such a licensed broker or dealer in any such jurisdiction, such Offer shall be deemed to be made by the Dealer Manager or such affiliate, as the case may be, on behalf of the Company in such jurisdiction.

The Tender Offer is not being made to any person located or resident in the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia (the **United States) or in or into any other jurisdiction where it is unlawful to release, publish or distribute this document.**

The Company has retained Australia and New Zealand Banking Group Limited (**ANZ**) to act as the Sole Dealer Manager for the tender offer. Lynchpin Bondholder Management is the Tender Agent for the Tender Offer.

For additional information regarding the terms of the Tender Offer, please contact ANZ at AsiaBondSyndicate@anz.com. Requests for documents and questions regarding the tendering of Notes may be directed to Lynchpin Bondholder Management at smcinfo@lynchpinbm.com.

San Miguel Corporation

19 March 2015