

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
Jun 1, 2016
2. SEC Identification Number
PW-277
3. BIR Tax Identification No.
000-060-741-000
4. Exact name of issuer as specified in its charter
SAN MIGUEL CORPORATION
5. Province, country or other jurisdiction of incorporation
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
40 San Miguel Avenue, Mandaluyong City, Metro Manila, Philippines
Postal Code
1550
8. Issuer's telephone number, including area code
(632) 632-3000
9. Former name or former address, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
SMC	2,378,681,934
SMCP1	279,406,667
SMC2B	90,428,200
SMC2C	255,559,400
SMC2D	89,333,400
SMC2E	134,000,100
SMC2F	223,333,500
SMC2G	66,666,600
SMC2H	164,000,000

11. Indicate the item numbers reported herein

Item 9

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

San Miguel Corporation SMC

PSE Disclosure Form 4-2 - Acquisition/Disposition of Shares of Another Corporation

*References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 of the Revised Disclosure Rules*

Subject of the Disclosure

Sale of the telecommunications business of San Miguel Corporation

Background/Description of the Disclosure

By way of response to the request for clarification of the Exchange dated 31 May 2016, we advise that Globe Telecom, Inc. and Philippine Long Distance Telephone Company acquired all the issued and outstanding shares held by San Miguel Corporation in Vega Telecom, Inc., the holding company which owns direct and beneficial ownership of SMC's telecommunications subsidiaries, which includes Bell Telecommunication Philippines, Inc., Liberty Telecoms Holdings, Inc. and Eastern Telecommunications Philippines, Inc.

Date of Approval by Board of Directors

N/A

Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction

The sale of all the shares held by San Miguel Corporation in Vega Telecom, Inc. will result in the exit of SMC in the telecommunications business. With such exit, SMC will focus on its other existing businesses, such as infrastructure and power.

The transaction was approved by the Executive Committee of the Board of Directors of SMC on May 26, 2016.

Details of the acquisition or disposition

Date	May 31, 2016
Manner	
Sale of shares	
Description of the company to be acquired or sold	
Vega Telecom, Inc. is the subsidiary of SMC which has legal and beneficial ownership of SMC's telecommunications business and assets.	

The terms and conditions of the transaction

Number of shares to be acquired or disposed	-
Percentage to the total outstanding shares of the company subject of the transaction	100
Price per share	N/A

Nature and amount of consideration given or received
The consideration is Php52,080,764,982 inclusive of outstanding advances and the assumption of liabilities of Vega and its subsidiaries amounting to Php17,021,535,948.00.
Principle followed in determining the amount of consideration
The consideration was agreed upon based on the existing businesses of Vega and the extent of its assets.
Terms of payment
50% on signing of SPA, May 30,2016 25% on December 1, 2016 25% on May 30, 2017
Conditions precedent to closing of the transaction, if any
-
Any other salient terms
N/A

Identity of the person(s) from whom the shares were acquired or to whom they were sold

Name	Nature of any material relationship with the Issuer, their directors/ officers, or any of their affiliates
Philippine Long Distance Telephone Company	None
Globe Telecom, Inc.	None

Effect(s) on the business, financial condition and operations of the Issuer, if any

The sale of all the shares held by San Miguel Corporation in Vega Telecom, Inc. results in the exit of SMC in the telecommunications business. With such exit, SMC will focus on its other existing businesses, such as infrastructure and power. The assumption of liabilities of Vega and its subsidiaries by Globe and PLDT will reduce the total liabilities of SMC.

Other Relevant Information

For the number of shares to be acquired or disposed.

13,500,000 common shares, and 13,500,000 preferred shares in Vega.

Filed on behalf by:

Name	Mary Rose Tan
Designation	Associate General Counsel and Assistant Corporate Secretary