



SAN MIGUEL CORPORATION

January 15, 2016

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: **Offering of Series "2" Preferred Shares**

Gentlemen:

In connection with the Regular Meeting of the Board of Directors of San Miguel Corporation (the "Corporation") held today, January 15, 2016, we disclose that the Board of the Directors authorized the following:

- (a) shelf registration of up to Php80 billion worth of Series "2" Preferred Shares, at an offer price of P75 per share, or 1,066,000,000 Series "2" Preferred Shares, to be issued for a period of three (3) years;
- (b) initial offering of up to Php30 billion worth of Series "2" Preferred Shares, at an offer price of P75 per share, or 400,000,000 Series "2" Preferred Shares (the "Initial Offer Shares");
- (c) filing of the appropriate Registration Statement and Prospectus with the Securities and Exchange Commission; and
- (d) filing of listing application with the Philippine Stock Exchange of the new subseries of the Series "2" Preferred Shares;

For these purposes, the Board has authorized the engagement of the services of underwriters, advisors, legal counsels, stock and transfer agent, receiving agent/bank, and other agents as may be necessary, proper or desirable to effect the offering.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer