



SAN MIGUEL CORPORATION

January 14, 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

Gentlemen:

We reply with respect to the news article entitled "San Miguel brewing up beer deal" posted in BusinessWorld Online on January 13, 2016. The article reported in part that:

"DIVERSIFIED conglomerate San Miguel Corp. (SMC) has expressed interest to acquire SABMiller PLC's Grolsch and Peroni beer brands -- a move analysts saw as a bid to tap new growth drivers beyond an already-saturated domestic market.

Anheuser Busch InBev SA, which agreed to buy SABMiller PLC for \$100 billion plus, has been seeking potential bidders for Grolsch and Peroni, sources close to the process told Reuters last month.

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'Yes, [we will] join [the] bid,' SMC President and Chief Operating Officer Ramon S. Ang said in a mobile phone message yesterday.

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SMB is adopting a multi-beverage strategy to capitalize on the faster growth pace of the non-alcoholic beverage segment that will add 30% to revenues in the next five years, Mr. Ang had said in May last year.

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By way of response to the Exchange, we advise that the Company contemplates to participate in the bidding for SABMiller PLC's Grolsch and Peroni beer brands, as confirmed by Mr. Ramon S. Ang, President and Chief Operating Officer of the Company, and reported in the aforementioned BusinessWorld Online article.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer