SAN MIGUEL CORPORATION

May 12, 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:

Enclosed is a copy of our press statement entitled "SMC reports stellar Q1 results, profits soar more than twofold," which we will release to the press today.

Very truly yours,

FERDINAND K. CONSTANTINO
Corporate Information Officer

News Release

SMC CORPORATE AFFAIRS OFFICE
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SAN MIGUEL CORPORATION

May 12, 2016

SMC reports stellar Q1 results, profits soar more than twofold

San Miguel Corporation (SMC) delivered solid first quarter results this year, riding high on the strong performance of its core food, beverage and packaging businesses plus higher revenues from its power and infrastructure units. The Company also benefitted from improved operating efficiencies that boosted margins for Petron Corp. amidst the slump in oil prices.

SMC's net income soared more than twofold to P13.5 billion from the same period in 2015 while consolidated operating income went up by 38% to P22.8 billion.

BEER

San Miguel Brewery Inc. posted robust topline and earnings growth for the period due to higher demand for its products, better performance of its international operations and successful activation of its various brands. Consolidated sales revenues grew 23% to P23.3 billion while operating income rose 17% to P6.1 billion. Net income for the first quarter was up 23% to P4 billion.

LIQUOR

Ginebra San Miguel Inc. continued its growth momentum into the first quarter with sales volume reaching 5.3 million cases, seven percent better than last year. Revenues equally grew seven percent to P3.9 billion, while operating income doubled to P188 million.

FOOD

San Miguel Pure Foods Company Inc. posted a 4% growth in consolidated revenues to P26 billion, driven by the impressive performance of its feeds, poultry and branded value-added businesses. Operating income was up 21% to P1.8 billion while net income increased 34% to P1.2 billion.

PACKAGING

San Miguel Packaging Group continued to book record performance from its glass business and Australian operations resulting in 25% growth in operating income to P597 million.

POWER
SMC Global Power Holdings Corp.'s offtake volume grew 16% to 4,457 Gwh with all its power plants registering higher bilateral volumes for the period in review. Consolidated revenues marginally grew to P19.9 billion while operating income rose 7 percent to P7.3 billion.

FUELS AND OILS
Petron Corp. weathered the prolonged slump in oil prices as it reported better first quarter results both from its Philippines and Malaysian operations. Net income zoomed to P2.8 billion, 10x higher from last year's result while operating income nearly doubled to P5.8 billion.

Consolidated sales volumes reached 25.3 million barrels, up 9% from 2015 partially offsetting the drop in price. Total revenues reached P77 billion vs P86.7 billion last year.

INFRASTRUCTURE
SMC's infrastructure unit's revenue and operating income grew 16% to P4.7 billion and P2.4 billion, respectively. Ongoing projects include: the NAIAx which is expected to complete a significant portion by end-June this year; Skyway Stage 3, TPLEx phase 3, SLEX TR4, the Bulacan Bulk Water Project and MRT-7 which, following its groundbreaking held last April 20, will start construction soon.

Meanwhile, its Boracay Airport is scheduled to start jet operations by the second quarter of this year while construction of a new and bigger terminal is expected to commence by November.

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