



SAN MIGUEL CORPORATION

May 30, 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: **San Miguel Corporation ("SMC") sells its**
telecommunications business to PLDT and Globe

Gentlemen:

We advise that SMC has accepted an offer from telecommunication firms Philippine Long Distance Telephone Company ("PLDT") and Globe Telecoms, Inc. ("Globe") to jointly acquire all of the SMC's telecommunication businesses, fast-tracking the delivery of high-speed internet access to millions of mobile subscribers in the Philippines.

SMC executed the relevant definitive agreements with PLDT and Globe this morning, May 30, 2016, to implement the transaction by and among the parties. The transaction includes the acquisition of SMC's interests in Bell Telecommunication Philippines, Inc., Liberty Telecoms Holdings, Inc., and Eastern Telecommunications Philippines, Inc., along with the assumption of SMC's contractual obligations related to the roll-out of its telecommunications business.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer