



SAN MIGUEL CORPORATION

July 4, 2016

The Philippine Stock Exchange, Inc.
Disclosure Department
3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Mr. Jose Valeriano B. Zuño III**
OIC-Head, Disclosure Department

Gentlemen:

We advise that the Company, through its wholly-owned subsidiary, San Miguel Holdings Corp. ("SMHC"), executed on 16 June 2016, an Amended and Restated Share Sale and Purchase Agreement with Universal LRT Corporation Limited ("ULC HK") and Mr. Salvador B. Zamora II for the purchase of: (i) an additional 49% equity interest in Universal LRT Corporation (BVI) Limited ("ULC BVI"); and (ii) 100% equity interest in ULCOM Company, Inc. ("ULCOM"). The total consideration for the acquisition of ULC BVI and ULCOM is US\$100,000,000.00, which amount consists of payment for the shares as well as the outstanding shareholder advances made by each of ULC HK and Mr. Zamora to ULC BVI and ULCOM, respectively. The amount of shareholder advances is approximately US\$3.8 million. ULC BVI holds the exclusive right, obligation and privilege to finance, design, construct, supply, complete and commission the Metro Rail Transit Line 7 Project ("MRT 7 Project") by virtue of the Concession Agreement dated, 18 June 2008 with the Republic of the Philippines, through the Department of Transportation and Communications. ULCOM is the designated Facility Operator of the MRT 7 Project.

The acquisition of ULC BVI and ULCOM by SMHC referred to above was completed on 1 July 2016. With the completion of such acquisition, SMHC now owns 100% interest in ULC BVI and ULCOM.

Very truly yours,


FERDINAND K. CONSTANTINO
Corporate Information Officer