



## SAN MIGUEL CORPORATION

August 23, 2018

**Ms. Vina Vanessa S. Salonga**

Head - Issuer Compliance and Disclosure Department (ICDD)  
Philippine Dealing & Exchange Corp.  
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Gentlemen:

Please be advised that the following disclosure was made to the Philippine Stock Exchange, in response to their request for clarification, as follows:

We reply with respect to the news article entitled "San Miguel food unit selling P142-billion worth of shares" posted in manilastandard.net on August 22, 2018. The article reported in part that:

"San Miguel Food and Beverage Inc. plans to raise P142.8 billion from the sale of up to 1.02 billion secondary shares before the end of the year, sources said Wednesday.

Informed sources said SMFB filed with the Securities and Exchange Commission on Wednesday an application for a follow-on offering involving the sale of 887 million secondary shares owned by parent company San Miguel Corp. and another 133 million shares to cover over-allotments.

The company set an offer price of up to P140 per share, significantly higher than the stock's closing price of P80 on Wednesday.

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By way of response to the Exchange, we confirm that San Miguel Food and Beverage, Inc. ("SMFB") filed with the Securities and Exchange Commission yesterday, August 22, 2018, a registration statement and preliminary prospectus for a follow-on-offering involving the sale of 887,000,000 common shares of SMFB owned by San Miguel Corporation, with an over-allotment of 133,050,000 common shares. As reflected in the registration statement, the indicative offer price of the SMFB shares in the follow-on offering is Php140.00 per share. An appropriate disclosure shall be made when the offer price is finally determined and established.

Very truly yours,

**MARY ROSE S. TAN**  
Assistant Corporate Secretary