



SAN MIGUEL CORPORATION

August 24, 2018

Ms. Vina Vanessa S. Salonga

Head - Issuer Compliance and Disclosure Department (ICDD)
Philippine Dealing & Exchange Corp.
37/F, Tower 1, The Enterprise Center
6766 Ayala Ave. cor. Paseo de Roxas, Makati City

Gentlemen:

Please see attached disclosure of the Company relating to the Secondary Offer of common shares of San Miguel Food and Beverage, Inc.

Very truly yours,

MARY ROSE S. TAN
Assistant Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
Aug 22, 2018
2. SEC Identification Number
PW-277
3. BIR Tax Identification No.
000-060-741-000
4. Exact name of issuer as specified in its charter
SAN MIGUEL CORPORATION
5. Province, country or other jurisdiction of incorporation
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
No. 40 San Miguel Avenue, Mandaluyong City, Metro Manila, Philippines
Postal Code
1550
8. Issuer's telephone number, including area code
(632) 632-3000
9. Former name or former address, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
SMC	2,382,552,536
SMCP1	279,406,667
SMC2B	90,428,200
SMC2C	255,559,400
SMC2D	89,333,400
SMC2E	134,000,100
SMC2F	223,333,500
SMC2G	66,666,600
SMC2H	164,000,000

11. Indicate the item numbers reported herein
Item 9

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

San Miguel Corporation SMC

PSE Disclosure Form 4-32 - Reply to Exchange's Query

Subject of the Disclosure

Secondary Offer of common shares of San Miguel Food and Beverage, Inc. (SMFB)

Description of the Disclosure

Response to the Query of the Exchange on August 16, 2018 relating to the secondary offer of common shares of SMFB

Information Requested

We reply to the queries of the Exchange as follows:

1. Description of the proposed transaction including the timetable for implementation and related regulatory requirements

On August 23, 2018, San Miguel Food and Beverage, Inc. ("SMFB") filed a registration statement and preliminary prospectus with the Securities and Exchange Commission for the secondary offer and

sale of up to 887,000,000 common shares (the "Offer Shares") with an over-allotment option of 133,050,000 common shares (the "Offer"). The selling shareholder is the Company.

Tentatively, the timetable for the implementation and completion of the transaction is as follows:

Public Offer Period: October 23 to 29, 2018

Crossing of the Offer Shares: November 6, 2018

Upon completion of the offer, a total of 5,909,220,090 common shares of SMFB will be outstanding, assuming full exercise of the Over-allotment Option.

2. Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction

The issuance of new shares by SMFB in favour of the Company as consideration for the transfer of all of the common shares held by the Company in San Miguel Brewery Inc. and Ginebra San Miguel Inc. resulted in the public float of SMFB fall below 10%. With the completion of the Offer and the sale of the Offer Shares, the public ownership of SMFB will be 19.13%.

With the consolidation of the food and beverage business, SMFB adds in its portfolio the businesses of SMB and GSMI, making it more attractive to investors, especially those who are interested in making investments specifically in the food and beverage business. SMFB stands to benefit from the synergies and cost savings generated through its expanded size, shared infrastructure and group-wide procurement. SMFB will also be able to extend its reach to even more consumers across various channels in the Philippines and around the globe, ultimately enhancing shareholder value.

3. Terms and conditions of the transaction

Kindly refer to the preliminary prospectus of SMFB which can be viewed at:

<http://smfb.com.ph/prospectus.html>

4. Effects on the business, financial conditions and operations of the Company, if any.

Kindly refer to page 6 of the preliminary prospects for the summary of the Offer.

5. Any other related information

Kindly refer to the preliminary prospectus of SMFB which can be viewed at:

<http://smfb.com.ph/prospectus.html>

Filed on behalf by:

Name	Mary Rose Tan
Designation	Associate General Counsel and Assistant Corporate Secretary