



SAN MIGUEL CORPORATION

September 3, 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 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 “SMC aims to hit P1-T revenue goal this year, two years ahead of schedule” posted in Inquirer.net on September 3, 2018. The article reported in part that:

“San Miguel Corporation (SMC) may hit its target of booking at least P1 trillion in revenues as early as this year—two years earlier than its stated target of 2020—as its new investments in new business ventures and the strength of its traditional lines begin to pay off.

In an interview, the chief of the country’s largest conglomerate said hitting the target by yearend ‘is very possible’ given reports from various units that have come in in recent weeks.

‘We’re already expecting net sales of over P900 billion this year, excluding Masinloc,’ SMC president Ramon Ang said, referring to the 630-megawatt coal-fired power plant in Zambales it acquired late last year for \$1.9 billion.

‘With the additional contributions from this new unit, we could hit P1 trillion this year,’ he added.

Without the contribution of the Masinloc power plant, the conglomerate’s revenues are expected to grow by 11 percent this year, marginally beating its internal 10-percent annual growth target. With the power plant, however, total revenues are expected to rise by 14 percent at the end of 2018 compared to the same period last year.

....”

By way of response to the Exchange, we confirm that the statements of Mr. Ramon S. Ang, President and Chief Operating Officer of the Company relating to the projected net sales of San Miguel Corporation for 2018 reaching P1 trillion, with the expected contribution of the 630 MW Masinloc power plant, as reported in the aforementioned article, are accurate.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Mary Rose S. Tan', is positioned above the printed name.

MARY ROSE S. TAN
Assistant Corporate Secretary