



SAN MIGUEL CORPORATION

October 15, 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:

Further to the disclosures of San Miguel Corporation (the "Company") on November 3, 2017 and July 6, 2018, relating to the consolidation of its food and beverage businesses, which became effective upon approval by the Securities and Exchange Commission of the increase in authorized capital stock of San Miguel Food and Beverages, Inc. ("SMFB") on June 29, 2018, we advise that the Bureau of Internal Revenue ("BIR") issued BIR Ruling No. 010-2018 dated October 12, 2018, which confirmed the tax-free transfer by the Company of its common shares in San Miguel Brewery Inc. ("SMB") and Ginebra San Miguel Inc. ("GSMI") to SMFB, in consideration for the 4,242,549,130 new common shares of SMFB issued to SMC out of the capital increase.

Accordingly, the Company will apply with the BIR for a Certificate Authorizing Registration to effect registration of SMFB's ownership over the SMB and GSMI shares in the stock and transfer books of SMB and GSMI, as the case may be, and shall make the appropriate disclosures upon completion of such registration.

Very truly yours,

MARY ROSE S. TAN
Assistant Corporate Secretary