



SAN MIGUEL CORPORATION

March 14, 2019

ATTY. JOSEPH B. EVANGELISTA

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 Company submitted to the Philippine Stock Exchange the attached press statement entitled "SMC '18 revenues hit P1T mark, beat 2020 target."

Very truly yours,

A handwritten signature in blue ink, appearing to read "Mary Rose S. Tan".

MARY ROSE S. TAN
Assistant Corporate Secretary



SAN MIGUEL CORPORATION

March 14, 2019

The Philippine Stock Exchange, Inc.
Disclosure Department
6th Floor, Philippine Stock Exchange Tower
28th Street, corner 5th Avenue
Bonifacio Global City, Taguig City

Attention: **Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

Please see attached copy of press statement entitled "SMC '18 revenues hit P1T mark, beat 2020 target," which we will release to the press today.

Very truly yours,



FERDINAND K. CONSTANTINO
Corporate Information Officer

News Release

SMC CORPORATE AFFAIRS OFFICE
40 San Miguel Avenue, Mandaluyong City,
1550 Metro Manila, Philippines



March 14, 2019

SMC '18 revenues hit P1T mark, beat 2020 target

San Miguel Corporation (SMC) breached the P1 trillion revenue mark in 2018, powered by strong performances from all its key businesses – food, beverage, packaging, fuels and petrochemicals, power and infrastructure.

Consolidated revenues reached P1.02 trillion, up 24% from the previous year while consolidated operating income increased 5% to P117.1 billion. The conglomerate's consolidated EBITDA also rose 7% to P157.9 billion. Consolidated recurring net income reached P55.2 billion, up 1% from last year.

Income growth for the conglomerate was tempered by the sharp decline in crude prices resulting in inventory losses for its fuels and petrochemical business during the 4th quarter of 2018. This was compounded by forex translation losses for the year.

Food and Beverage

San Miguel Food and Beverage, Inc. recorded consolidated revenues of P286.4 billion 14% higher than the P251.6 billion reported in 2017, propelled by higher volumes and revenues. Operating income and net income both grew 8% to P45.9 billion and P30.5 billion, respectively.

Subsidiaries San Miguel Brewery Inc. domestic operations and Ginebra San Miguel Inc. both recorded strong growth throughout 2018.

San Miguel Pure Foods, meanwhile, posted revenue growth, due to increased volumes and better selling prices.

Power

SMC Global Power Holdings Corp. posted consolidated off-take volume growth of 39% in 2018. This was attributed to additional generation from the Limay, Malita and Masinloc power plants and better contributions from the Ilijan and San Roque power plants.



Consolidated revenues stood at P120.1 billion, a 45% increase from the P82.8 billion posted in 2017. Operating income rose 37% to P33.2 billion.

Fuels, Oils, and Petrochemicals

Petron Corporation's combined revenues from the Philippines and Malaysia amounted to P557.4 billion, up 28% from the P434.6 billion posted in 2017.

Consolidated volumes grew slightly from the previous year, partly stirred by strong retail sales of high performance fuels in Malaysia.

Petron's operating income and net income stood at P18.9 billion and P7.1 billion, down 32% and 50% from 2017 level, respectively, mainly due to inventory losses incurred in November and December. Global oil production supply increased during the 4th quarter of 2018 causing a 9-week consecutive fall in international oil prices.

Infrastructure

SMC Infrastructure's consolidated revenues reached P24.5 billion, up 9% versus the previous year as vehicular volume at all operating toll roads continue to grow. Operating income likewise increased 13% to P11.8 billion.

Construction of the Skyway Stage 3 and MRT7 remains on track while its Bulacan Bulk Water project started providing potable water to six Bulacan municipalities early this year.

For media inquiries, please call SMC-Media Affairs Group:

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