

OFFICIAL STATEMENT
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**SAN MIGUEL BREWERY INC. LISTS PHP 17 BILLION WORTH
OF 7-YEAR AND 10-YEAR FIXED RATE BONDS ON PDEX**



(from left) PDEX Market Governance Board Member Manuel Q. Bengson, PDEX Chairman & CEO Vicente B. Castillo, SMB Executive Financial Advisor Shobu Nishitani, SEC Commissioner Juanita E. Cueto, SMB President Roberto N. Huang, SMB Vice President and CFO Mercy Marie J. L. Amador, SMB Executive Vice President Teruyuki Daino, PDEX President & COO Cesar B. Crisol, and SMB Vice President and National Sales Manager Debbie D. Namalata.

The San Miguel Brewery Inc. (SMB) listed last April 2 the seven-year and ten-year tranches of its new fixed-rate bond issuance. The new listing brought the outstanding tradable corporate debt on Philippine Dealing Exchange (PDEX) over the PhP 200 billion mark. SMB's P10 billion Series E Bonds due 2019 and its P7 billion Series F Bonds due 2022, simultaneous with the issuance date, was the first corporate bond listing for 2012.

The new bond issuance was rated "PRS Aaa" by the Philippine Ratings Services Corporation. The Series E and Series F Bonds fetched a coupon rate of 5.93% and 6.60% per annum, respectively.

SMB made its debut in the corporate debt market in 2009, with its landmark issuance and listing of its P38.8 billion Fixed Rate Bonds in 3, 5 and 10 year tranches. Since that initial listing in November 2009, SMB has been the leading listed private debt issuer in terms of trading volume, with aggregate volumes of the 3 tranches hitting over P6.3 billion, or 11% of total corporate securities traded in the market.

PDEX Chairman and CEO Vicente B. Castillo said in his welcome remarks, "It is our great honor to have one of the country's leading beverage producers as a member of the PDEX issuer community. San Miguel Brewery has

dominated the Philippine alcoholic beverage market for over 120 years, capturing the tastes and preferences of Filipino beer drinkers across all segments and markets in the Philippines."

As of December 31, 2011, SMB's total volume sales hit P71.9 billion, a 6 percent improvement from year-ago levels. Net income rose 17 percent to P12.1 billion, and total equity improved by 12% to P27.9 billion. SMB has also expanded its presence in the region, with operations in Indonesia, Vietnam, Thailand, Hong Kong, and China.

The listing ceremony was held at the Tower 1 Lobby of The Enterprise Center, Makati City. Securities and Exchange Commission Honorable Commissioner Ma. Juanita E. Cueto was guest of honor.

SMB President Roberto N. Huang said its second bond issuance and listing was a manifestation that "SMB's strong corporate fundamentals made the bonds "more than desirable for the investing public".

He also said the net proceeds of the new bond issuance would be utilized primarily for the redemption of its Series "A" bonds maturing in April 3, 2013 and the partial prepayment of the company's U.S. dollar term facility.

Present during the ceremonies were institutions that participated in the issuance led by the Issue Manager and Joint Lead Manager, ING Bank N.V., Manila Branch (ING); and other Joint Lead Managers, BDO Capital & Investment Corporation, SB Capital Investment Corporation Standard Chartered Bank (Standard Chartered) and The Hongkong and Shanghai Banking Corporation Limited.

The committed market makers for the bond issues are ING and Standard Chartered. They are joined by the corporate security broker specialists Metropolitan Bank & Trust Company, Multinational Investment Bancorporation, Philippine Commercial Capital Inc., and Rizal Commercial Banking Corporation in assuring investors that entry and exit mechanisms for the issues are in place in the secondary market.

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