



# SAN MIGUEL BREWERY INC.

A subsidiary of San Miguel Corporation

December 1, 2011

**Philippine Stock Exchange, Inc.**

Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Attention: **Ms. Janet A. Encarnacion**  
Head – Disclosure Department

Gentlemen:

We submit herewith the Company's SEC Form 17-C with respect to the proposed amendment to the terms and conditions of the Company's Php 38.8 billion bond issue.

Very truly yours,

  
ROSABEL T. BALAN  
Corporate Secretary

## COVER SHEET

C S 2 0 0 7 1 1 8 2 8

S. E. C. Registration Number

S A N M I G U E L

B R E W E R Y

I N C .

(Company's Full Name)

N o . 4 0 S a n M i g u e l

A v e n u e , M a n d a l u y o n g

C i t y

(Business Address: No. Street City/Town/Province)

ROSABEL T. BALAN

Contact Person

632-3000

Company Telephone Number

Month

Day

17-C

FORM TYPE

Month

Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

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To be accomplished by SEC Personnel concerned

File Number

LCU

Document I. D.

Cashier

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STAMPS  
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**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 17-C**

**CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE (SRC)  
AND SRC RULE 17(b)(3) THEREUNDER**

1. **December 1, 2011**  
Date of Report (Date of earliest event reported)
2. SEC Identification No. **CS-200711828**
3. BIR Tax Identification No. **006-807-251**
4. **SAN MIGUEL BREWERY INC.**  
Exact name of registrant as specified in its charter
5. **Philippines**  
(Province, country or other jurisdiction of  
Incorporation)
6. (SEC Use Only)  
Industry Classification Code
6. **No. 40 San Miguel Avenue, Mandaluyong City, Metro Manila**  
(Address of principal office)
- 1550  
(Postal Code)
7. **(632) 632-3000**  
(Registrant's telephone number, including area code)
8. **N/A**  
(Former name or former address, if change since last report)  
The Registrant has not changed its address since its last report to this Honorable Commission.
9. Securities registered pursuant to Sections 8 and 12 of SRC  
Title of each Class  

<b>Common Shares</b>	<b>15,410,478,960 (as of October 31, 2011)</b>
<b>Peso-denominated fixed-rate bonds</b>	<b>P38.8 billion</b>

10. Indicate the item numbers reported herein:

**Item 9. Other Items:**

Please see attached press release on the proposed amendment to the terms and conditions of the Company's P38.8 billion bond issue to replace the minimum current ratio (Current Assets/Current Liabilities) with a minimum interest cover ratio (Consolidated EBITDA/Gross Interest Expense), which was approved by the Company's Executive Committee in its meeting today.

The Company shall obtain the consent of the majority of the bondholders for the proposed amendment in accordance with its Trust Agreement dated March 16, 2009 for the said bond issue and comply with such further requirements of the Securities and Exchange Commission in connection with such amendment.

Pursuant to the requirements of the Securities Regulation Code, the registrant duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SAN MIGUEL BREWERY INC.**

By:

  
**ROSABEL SOCORRO T. BALAN**  
Corporate Secretary

December 1, 2011



# SAN MIGUEL BREWERY INC.

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December 1, 2011

## PRESS RELEASE

San Miguel Brewery Inc. (Publicly-listed, PSE:SMB), a Philippines-based company engaged in the manufacture and sale of fermented and malt-based beverages, particularly beer of all kinds and classes, is seeking replacement of the minimum Current Ratio of 1.00 in the terms and conditions of its P38.8 billion fixed-rate bonds issued in 2009, with a minimum Interest Coverage Ratio (Consolidated EBITDA/Gross Interest Expense) of 4.75.

The minimum Interest Coverage Ratio is a more appropriate measure in monitoring the financial health of the Company as it gives an indication of whether SMB has sufficient margin in operating profit to cover increases in the cost of debt. It is believed to be a stronger measure of protecting the interest of lenders, as it provides an early sign of the Company's ability to manage liabilities.

SMB will undertake solicitation of the consent of the majority of its bondholders for the replacement of the Current Ratio. Consent letters will be sent out to all holders of the SMB bonds as of December 8, 2011. All bondholders as of such record date are encouraged to send in their replies before January 20, 2012 and coordinate with their respective banks and brokers.

SMB continues to be a solid leader in the Philippine beer industry, with a market share of approximately 96% in 2010.

In October, the Philippine Rating Services Corporation (Philratings) maintained the existing PRS Aaa issue rating for SMB's bonds. Obligations rated PRS Aaa are of the highest quality with minimal credit risk. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

The following were the key considerations in the assignment of such rating: strong market position domestically; experienced management and production team, with technical support from Kirin Holdings Company, Limited; high cash from operations and cash reserves relative to current debt; sustained financial flexibility and adequate capitalization.

*For media inquiries, please call:*  
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