



# SAN MIGUEL BREWERY INC.

A subsidiary of San Miguel Corporation

January 5, 2015

**PHILIPPINE DEALING & EXCHANGE CORP.**

37/F, Tower 1, The Enterprise Center  
6766 Ayala Ave., cor. Paseo de Roxas  
Makati City

Attention: **MS. VINA VANESSA S. SALONGA**  
Head, Issuer Compliance and Disclosure Department

Gentlemen:

Attached is the Company's SEC Form 17-C with respect to the consent solicitation for the amendment of the negative covenants in the trust agreements for the Series C, D, E and F Bonds.

Very truly yours,

**ROSABEL T. BALAN**

Vice President and General Counsel

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. **January 5, 2015**  
Date of Report (Date of earliest event reported)
2. SEC Identification No. **CS-200711828**
3. BIR Tax Identification No. **006-807-251-000**
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**      **1550**  
(Address of principal office)      (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

*(outstanding as of September 30, 2014)*

**Common Shares**      **15,359,053,161<sup>1</sup>**

*(outstanding as of September 30, 2014)*

**Peso-denominated Series C fixed-rate bonds**      **₱2.81 billion**

**Peso-denominated Series DEF fixed-rate bonds**      **₱20.0 billion**

**Peso-denominated Series GH fixed-rate bonds**      **₱15.0 billion**

<sup>1</sup> Excludes the 51,425,799 common shares tendered and accepted by the Company in its tender offer. As of September 30, 2014, the Company has secured Certificates Authorizing Registration for 41,051,200 common shares of the 51,425,799 common shares tendered and accepted by the Company in its tender offer.

10. Indicate the item numbers reported herein:

**Item 9. Other Items**

**San Miguel Brewery Inc. launches  
Consent Solicitation for Multi-Beverage Strategy**

Further to its disclosure dated December 16, 2014, please be informed that the consent solicitation of San Miguel Brewery Inc. ("SMB") for its proposed amendments to the Trust Agreement dated March 16, 2009 covering its outstanding 10.5% Series C Bonds due 2019 and the Trust Agreement dated March 15, 2012 covering its outstanding 6.05% Series D Bonds due 2017, 5.93% Series E Bonds due 2019, and 6.60% Series F Bonds due 2022 ("Consent Solicitation") shall begin today, January 5, 2015 and shall end at 5:00 p.m. (Philippine time) of January 30, 2015 ("Expiration Date"). The Expiration Date may be adjusted to an earlier or later time and date by SMB in its sole discretion.

SMB is seeking the consent of the bondholders to align the terms of Section 7.2 (c) and (k) of the respective trust agreements with Section 7.2 (c) of the Trust Agreement dated March 14, 2014 covering SMB's Series G and H bonds, and thereby allow SMB to engage, or amend its articles of incorporation to engage, in the business of manufacturing, selling, distributing and/or dealing, in any and all kinds of beverage products. The proposed amendments will enable SMB to pursue its multi-beverage strategy and create consistency among the SMB's debt facilities.

SMB will pay each consenting bondholder of record as of December 15, 2014 (5:00 p.m., Philippine time) who delivers a validly executed consent form to the trustee of the bonds on or before the Expiration Date, a consent fee of PhP1.25 per PhP1,000.00 of the principal amount of their bond subscriptions in respect of which the consent form is given. Payment of consent fees to consenting bondholders is conditional upon, among others, the submission of validly-executed consent forms delivered in time for receipt by the trustee of the bonds on or before the Expiration Date.

Details of the Consent Solicitation are set out in the Consent Solicitation Statements for the Series C Bonds and for the Series D, E and F Bonds, which shall be sent to each Series C, D, E and F bondholder of record, as the case may be. The Consent Solicitation Statements and consent forms are attached hereto and may also be downloaded from SMB's website at [www.sanmiguelbrewery.com.ph](http://www.sanmiguelbrewery.com.ph).

ING Bank N.V., Manila Branch was appointed as Advisor for the consent solicitation. Other parties to the consent solicitation include BDO Capital and Investment Corporation, BPI Capital Corporation, China Banking Corporation, The Hongkong and Shanghai Banking Corporation Limited, and SB Capital Investment Corporation as Associates. The Bank of the Philippine Islands – Asset Management and Trust Group and Rizal Commercial Banking Corporation – Trust and Investments Group are the Trustees for the Series C and Series D, E and F Bonds, respectively. The Philippine Depository & Trust Corp. is the Registrar for the consent solicitation.

Attached is the press release of SMB on the Consent Solicitation.

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

January 5, 2015



## CONSENT SOLICITATION STATEMENT

Consent Solicitation for a Proposed Amendment to the Trust Agreement dated March 16, 2009 Governing the **10.500% Series C Bonds due 2019**

**THE CONSENT SOLICITATION (AS DEFINED HEREIN) WILL EXPIRE AT 5:00 P.M. (PHILIPPINE TIME) ON JANUARY 30, 2015, UNLESS SOONER TERMINATED OR EXTENDED BY SAN MIGUEL BREWERY INC. IN ITS SOLE DISCRETION.**

Subject to the terms and conditions set forth in this consent solicitation statement (the "Consent Solicitation Statement"), San Miguel Brewery Inc. (the "Issuer", "we", "us" or "our" ), hereby solicits consents from the holders of record of its outstanding 10.500% Series C Bonds due 2019 (the "Bonds", and the holders thereof, the "Bondholders") as of 5:00 p.m. (Philippine time) on December 15, 2014 (the "Record Date") to an amendment (the "Proposed Amendment") to the Trust Agreement dated March 16, 2009 between the Issuer and Bank of the Philippine Islands – Asset Management and Trust Group in its capacity as trustee (the "Trustee"), as amended or supplemented by the Supplemental Agreement dated February 7, 2012 (the "Trust Agreement").

The Proposed Amendment is explained in detail in the discussion under the heading "The Proposed Amendment" below. Capitalized terms used but not defined herein shall, unless the context otherwise requires, have the meanings set forth in the Trust Agreement.

As used in this Consent Solicitation, the term "Record Bondholders" means those Bondholders of record as of the Record Date, as reflected in the Register of Bondholders maintained by the Philippine Depository & Trust Corp. (the "Registrar") pursuant to the Registry and Paying Agency Agreement dated March 16, 2009 between the Issuer and the Registrar.

For and in consideration of the grant by a Record Bondholder of his, her, or its consent to the Proposed Amendment in accordance with the terms and conditions and procedures set out in this Consent Solicitation Statement (each such consent, a "Consent"; and each Record Bondholder that delivers to the Trustee a consent form validly executed in the form enclosed herewith as Annex A (a "Consent Form") on or before 5:00 p.m. (Philippine time) of January 30, 2015 (or such time and date, as may be adjusted to an earlier or later time and date in the Issuer's sole discretion, the "Expiration Date"), a "Consenting Bondholder"), we shall pay each Consenting Bondholder an amount equal to PHP1.25 per PHP1,000 of the principal amount of the Bonds in respect of which the Consent Form is given (the "Consent Fee").

We shall pay the Consent Fee no later than the third Business Day following the later of the Expiration Date and the Execution Date (as such term is defined below) (a "Business Day" being any day other than Saturday or Sunday on which banks are open for business in Metro Manila, Philippines, and such third Business Day, the "Consent Fee Payment Date").

**PLEASE NOTE THAT THE EXPIRATION DATE MAY BE ADJUSTED TO AN EARLIER OR LATER TIME AND DATE AT THE SOLE DISCRETION OF THE ISSUER, SUBJECT TO THE ISSUER'S GIVING NOTICE OF SUCH ADJUSTMENT TO THE BONDHOLDERS IN ACCORDANCE WITH THE DISCUSSION UNDER PARAGRAPH 5 ("AMENDMENTS; PUBLIC ANNOUNCEMENTS") BELOW.**

Additionally, please note that our undertaking to pay the Consent Fee is subject to the fulfillment of the conditions discussed under paragraph 4(e) ("Conditions to Issuer's Payment Obligations") below, including but not limited to the following:

- (1) the Trustee's receipt of validly executed and delivered Consent Forms from Record Bondholders representing at least 51% of the aggregate principal amount of the Bonds (the "Required Consents") on or before the Expiration Date;
- (2) the receipt by the Issuer of a certification from the trustee of the 6.05% Series D Bonds due 2017, 5.93% Series E Bonds due 2019 and 6.60% Series F Bonds due 2022 (the "Series DEF Bonds") that validly executed and delivered consents of the holders of the Series DEF Bonds as of the Record Date (the "Series DEF Record Bondholders") representing at least 51% of the aggregate principal amount of the Series DEF

## Consent Solicitation Statement for the 10.500% Series C Bonds due 2019

Bonds (the "Required Consents of the Series DEF Bonds") to the Issuer's proposed amendment to sections 7.2 (c) and (k) of the trust agreement covering the Series DEF Bonds (the "Proposed Amendment to the Series DEF Bonds Trust Agreement") have been obtained on or before the deadline set by the Issuer for the receipt of such consents from the Series DEF Record Bondholders (the "Series DEF Bonds Consent Expiration Date") under the terms and conditions of the consent solicitation conducted by the Issuer for the Proposed Amendment to the Series DEF Bonds Trust Agreement (the "Series DEF Bonds Proposed Amendment Consent Solicitation"); and

- (3) the execution and delivery by the Issuer and the Trustee of the Supplemental Agreement (as defined below).

As soon as practicable following our receipt of the Trustee's certification that the Required Consents have been obtained, and in accordance with the Trust Agreement, we may execute and deliver a supplemental agreement with the Trustee that embodies the parties' agreement on the Proposed Amendment (such agreement, the "Supplemental Agreement", and the date on which the Supplemental Agreement is executed, the "Execution Date"). We will make a public announcement of the execution of the Supplemental Agreement via press release and disclosure to the Philippine Dealing & Exchange Corp. and Philippine Securities and Exchange Commission on the Execution Date.

The Supplemental Agreement will be effective only after the Issuer pays the Consent Fee. If the Required Consents have not been received on or before the Expiration Date, or any of the other conditions set forth herein are not satisfied or waived, no Consent Fee will be paid to any Bondholder, irrespective of whether or not such Bondholder has delivered a validly executed Consent Form.

Following the Consent Fee Payment Date, the Proposed Amendment to the Trust Agreement will be conclusive and binding on all Bondholders and all future holders and owners of the Bonds (or of any bonds issued in lieu thereof or in exchange therefor), irrespective of whether or not such Bondholders or future holders and owners have consented to the Proposed Amendment to the Trust Agreement.

*The Advisor for this Consent Solicitation is:*

**ING BANK N.V., MANILA BRANCH**  
*December 22, 2014*

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## IMPORTANT INFORMATION

Record Bondholders are requested to read and carefully consider the information contained herein and to give their Consent to the Proposed Amendment by properly completing and executing the Consent Form enclosed herewith in accordance with the instructions set forth herein and therein.

The transfer of Bonds after the Record Date will not have the effect of revoking any Consent validly given by a Record Bondholder, and each properly completed and executed Consent Form will be counted notwithstanding any subsequent transfer of the Bonds to which such Consent Form relates.

We expressly reserve the right, in our sole discretion and regardless of whether any of the conditions described under paragraph 4(e) (“*Conditions to Issuer’s Payment Obligations*”) have been satisfied, subject to applicable law, at any time prior to acceptance of the Consents, to: (i) terminate this Consent Solicitation for any reason; (ii) waive any of the Conditions to Issuer’s Payment Obligations under paragraph 4(e) below, in whole or in part; (iii) adjust the Expiration Date to an earlier or later time and date; and (iv) amend the terms of this Consent Solicitation. Please see paragraph 5 (“*Amendments; Public Announcements*”). In addition, we expressly reserve the right to execute and deliver to the Trustee the Supplemental Agreement on any Business Day falling before or after the Expiration Date, provided that the Trustee shall have certified that the Required Consents have been obtained.

If the conditions described below under paragraph 4(e) (“*Conditions to Issuer’s Payment Obligations*”) have not all been satisfied or waived (including, without limitation, the condition that the Trustee must have received the Required Consents on or before the Expiration Date), then we will not be obligated to pay any Consent Fee whatsoever. Any Record Bondholder desiring to give his, her or its Consent to the Proposed Amendment must deliver the properly completed and executed Consent Form and any other documents required by the Consent Form to the Trustee at the latter’s address set forth in the said Consent Form, on or prior to the Expiration Date.

Beneficial owners of the Bonds desiring to deliver Consents and whose Bonds are held, as of the Record Date, in the name of a broker, dealer, commercial bank, trust company or other nominee institution, **must contact such nominee promptly and instruct such nominee**, as the Record Bondholder of such Bonds, to deliver the Consent on behalf of the beneficial owner on or prior to the Expiration Date.

The Issuer has received the requisite corporate approvals to undertake the Consent Solicitation. However, the Issuer does not make any recommendation to you as to whether you should execute and deliver the Consent Forms. You must make your own decision as to whether or not to execute and deliver a Consent Form.

No person has been authorized to provide you with any information or make any representations other than those contained herein or in the accompanying Consent Form and other materials, and, if given or made, such information or representations must not be relied upon as having been authorized by us, the Trustee, ING Bank N.V., Manila Branch (the “*Advisor*”), the Associates or any other person. None of the Advisor, the Trustee, the Associates or any of their respective affiliates, has verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Advisor, the Trustee, the Associates or any of their respective affiliates as to the accuracy or completeness of the information contained in this Consent Solicitation Statement or any other information provided by the Issuer in connection with this Consent Solicitation. None of the Advisor, the Trustee, the Associates or any of their respective affiliates, accepts any responsibility for this Consent Solicitation Statement, makes any representation regarding this Consent Solicitation Statement or this Consent Solicitation or owes any duty to any Bondholder except as may be provided in the Trust Agreement.

## Consent Solicitation Statement for the 10.500% Series C Bonds due 2019

The statements made in this Consent Solicitation Statement are made as of the date hereof, and the delivery of this Consent Solicitation Statement and the accompanying materials shall not, under any circumstances, create any implication that the information contained herein is correct subsequent to the date hereof or after the date hereof, or that there has been no change in the information set forth herein or in our affairs since the date hereof.

ING Bank N.V., Manila Branch is acting as Advisor to the Issuer in relation to this Consent Solicitation and to no one else and will not regard any other person as its customer or be responsible to anyone other than the Issuer for providing the protections normally afforded to customers of the Advisor or for providing advice in relation to this Consent Solicitation. The Advisor and its associates may have a holding in, or may from time to time provide advice or other investment services in relation to, or engage in transactions involving, the Bonds.

Recipients of this Consent Solicitation Statement and the accompanying materials should not construe the contents hereof or thereof as legal, business or tax advice. Each recipient should consult its own attorney, business advisor, tax advisor and other professional advisors as to the legal, business, tax and other matters concerning this solicitation.

Requests for additional copies of this Consent Solicitation Statement and the Consent Form should be directed to the **Trustee**, the **Advisor**, or the **Associates** at the relevant address, telephone number or email address set out on pages 13 and 14 of this Consent Solicitation Statement. The Consent Solicitation Statement and the Consent Form may also be downloaded from the Issuer's website at [www.sanmiguelbrewery.com.ph](http://www.sanmiguelbrewery.com.ph).

Any questions regarding the terms of the Consent Solicitation may be directed to the **Advisor** or the **Associates** at the relevant address, telephone number or email address set out on pages 13 and 14 of this Consent Solicitation Statement.

This Consent Solicitation Statement is issued and directed only to the Record Bondholders and no other person shall be, or is entitled to rely or act on, or be able to act on, its contents.

Each Record Bondholder, by accepting delivery of this Consent Solicitation Statement and by execution and delivery of the Consent Form, will be deemed to have represented, agreed and acknowledged that he, she or it is the beneficial owner of the Bonds to which the Consent Form relates or has been duly authorized to act on behalf of the beneficial owner of such Bonds; and he, she or it understands that the Issuer, the Trustee, the Advisor, the Associates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

This Consent Solicitation Statement has not been reviewed by the Philippine Securities and Exchange Commission.

**NONE OF THE ISSUER, THE TRUSTEE, THE ADVISOR, OR THE ASSOCIATES MAKES ANY RECOMMENDATION AS TO WHETHER OR NOT RECORD BONDHOLDERS SHOULD CONSENT TO THE PROPOSED AMENDMENT. EACH RECORD BONDHOLDER MUST MAKE HIS, HER OR ITS OWN DECISION AS TO WHETHER TO EXECUTE AND DELIVER A CONSENT FORM PURSUANT TO THIS CONSENT SOLICITATION STATEMENT. RECORD BONDHOLDERS ARE URGED TO CAREFULLY EVALUATE ALL OF THE INFORMATION IN THIS CONSENT SOLICITATION STATEMENT AND TO CONSULT THEIR OWN INVESTMENT AND TAX ADVISORS IN MAKING THEIR DECISION AS TO WHETHER TO EXECUTE AND DELIVER A CONSENT FORM PURSUANT TO THIS CONSENT SOLICITATION STATEMENT.**



**IMPORTANT DATES FOR THE CONSENT SOLICITATION**

Bondholders should take note of the following important dates in connection with this Consent Solicitation. Please note that this schedule is subject to change if the Issuer adjusts the Expiration Date to a later or earlier time and date, or otherwise amends the terms of this Consent Solicitation, in its sole discretion, as permitted by and in accordance with this Consent Solicitation Statement.

| <b>Date</b>                                      | <b>Event</b>  |
|--|---|
| 5:00 p.m. (Philippine time) of December 15, 2014 | Record Date   |
| January 5, 2015                                  | Commencement of the Consent Solicitation  |
| January 5, 2015 to January 30, 2015              | The period during which Record Bondholders may deliver Consents, as may be adjusted by the Issuer to a later or earlier time and date in its sole discretion.   |
| 5:00 p.m. (Philippine time) of January 30, 2015  | Expiration Date – The deadline for a Record Bondholder to deliver Consents pursuant to the Consent Solicitation and be eligible to receive the Consent Fee. The Expiration Date may be adjusted by the Issuer to a later or earlier time and date in its sole discretion. The Expiration Date for the Bonds is independent of the Series DEF Bonds Consent Expiration Date. |
| February 6, 2015                                 | The estimated Execution Date – The date on which the Issuer and the Trustee may enter into the Supplemental Agreement.  |
| February 11, 2015                                | The estimated Consent Fee Payment Date –The date upon which the Proposed Amendment will become effective after the payment of the Consent Fee by the Issuer pursuant to the Consent Solicitation.   |

**SUMMARY OF THE CONSENT SOLICITATION**

*The following summary is provided solely for the convenience of the Record Bondholders and is qualified in its entirety by reference to the more detailed information contained elsewhere in this Consent Solicitation Statement and any amendments or supplements hereto. Record Bondholders are urged to read this Consent Solicitation Statement and the related Consent Form in their entirety, as each contains important information which Record Bondholders should read carefully before making any decision with respect to the Consent Solicitation conducted hereby.*

**Overview**

The purpose of this Consent Solicitation is to obtain the Consent from Record Bondholders holding at least 51% of the aggregate principal amount of the Bonds to the Proposed Amendment. For a more detailed description of the Consent we are seeking, please refer to the discussion under the heading “*The Proposed Amendment*” below.

|                                      |  |
|--------------------------------------|--|
| <b><i>The Bonds</i></b>              | 10.500% Series C Bonds due 2019  |
| <b><i>Consent Solicitation</i></b>   | <p>The purpose of this Consent Solicitation is to obtain the consent, to the Proposed Amendment, of Record Bondholders holding at least 51% of the aggregate principal amount of the Bonds.</p> <p>The Proposed Amendment seeks to align the terms of Section 7.2 (c) and (k) (Negative Covenants) of the Trust Agreement with Section 7.2 (c) of the Trust Agreement dated March 14, 2014 between the Issuer and Rizal Commercial Banking Corporation covering the Issuer’s 5.50% Series G Bonds due 2021 and 6.00% Series H Bonds due 2024 (the “<u><i>Series G and H Bonds</i></u>”).</p> <p><b>The Proposed Amendment will not alter the interest rate or maturity date of the Bonds, the Issuer’s obligation to make principal and interest payments on the Bonds, or the substantive effect of any other covenant or provision of the Bonds.</b></p> |
| <b><i>Consent Fee</i></b>            | Subject to the conditions set out under the heading “ <i>Conditions to Issuer’s Payment Obligations</i> ” below, the Issuer will pay to each Record Bondholder from whom the Trustee has received a validly executed and delivered Consent Form on or before the Expiration Date an amount equal to PHP1.25 for each PHP1,000 of the principal amount of the Bonds in respect of which such Consent Form is given.   |
| <b><i>Trust Agreement</i></b>        | The Trust Agreement dated March 16, 2009 (as supplemented or amended by the Supplemental Agreement dated February 7, 2012) by and between the Issuer and the Trustee.  |
| <b><i>Supplemental Agreement</i></b> | The Supplemental Agreement to be entered into by and between the Issuer and the Trustee to embody the agreement among the Issuer, the Consenting Bondholders and the Trustee on the Proposed Amendment. The Supplemental Agreement will modify the terms of the Trust Agreement solely with respect to the negative covenants of the Issuer under Sections 7.2 (c) and (k) of the Trust Agreement.   |

**Consent Solicitation Statement for the 10.500% Series C Bonds due 2019**

|  |   |
|--|---|
| <b><i>Trustee</i></b>                                    | Bank of the Philippine Islands – Asset Management and Trust Group   |
| <b><i>Required Consents</i></b>                          | The receipt by the Trustee of validly executed and delivered Consent Forms evidencing the Consents of Record Bondholders representing at least 51% of the aggregate principal amount of the Bonds on or before the Expiration Date.   |
| <b><i>Expiration Date</i></b>                            | This Consent Solicitation will expire at 5:00 p.m. (Philippine time) on January 30, 2015, unless such time and date are adjusted to an earlier or later time and date by the Issuer in its sole discretion. The Expiration Date for the Bonds is independent of the Series DEF Bonds Consent Expiration Date.   |
| <b><i>Record Date</i></b>                                | 5:00 p.m. (Philippine time) of December 15, 2014  |
| <b><i>Conditions to Issuer's Payment Obligations</i></b> | <p>The Issuer's obligation to pay the Consent Fee to the Consenting Bondholders is subject to the following conditions:</p> <ol style="list-style-type: none"> <li>(1) the receipt by the Trustee of validly executed and delivered Consent Forms evidencing the Required Consents on or before the Expiration Date;</li> <li>(2) the receipt by the Issuer of a certification from the trustee of the Series DEF Bonds that the Required Consents of the Series DEF Bonds to the Issuer's Proposed Amendment to the Series DEF Bonds Trust Agreement have been obtained on or before the Series DEF Bonds Consent Expiration Date under the terms and conditions of the Series DEF Bonds Proposed Amendment Consent Solicitation;</li> <li>(3) the execution and delivery by the Issuer and the Trustee of the Supplemental Agreement;</li> <li>(4) the absence of any law or regulation which would, and the absence of any pending or threatened injunction or other proceeding which (if adversely determined) would, render the Proposed Amendment unlawful or invalid, or enjoin or materially delay the implementation of the Proposed Amendment; and</li> <li>(5) (A) no change (or development involving a prospective change) shall have occurred in or shall have threatened the Issuer's business, properties, assets, liabilities, financial condition, operations, or results of operations, and (B) no change (or development involving a prospective change) shall have occurred in the financial markets generally or affecting the Issuer's equity or the Bonds, in each case, which, in the Issuer's reasonable judgment, is or may be adverse to the Issuer or has or may have a material adverse effect upon the contemplated benefits to the Issuer of the Proposed Amendment.</li> </ol> <p>The foregoing conditions are for the Issuer's sole benefit and the Issuer may, in its sole discretion, waive any of the Conditions, in whole or in part, at any time and from time to time or otherwise amend the terms and conditions of this Consent Solicitation at any time.</p> |

**Consent Solicitation Statement for the 10.500% Series C Bonds due 2019**

|  |   |
|--|---|
| <b><i>How to Deliver Consents</i></b>                | Validly completed and executed Consent Forms should be delivered to the Trustee in time for receipt by the latter on or before the Expiration Date in accordance with paragraph 4(c) (“ <i>Procedure for Giving Consents</i> ”).  |
| <b><i>Irrevocability of Consents</i></b>             | Consents are irrevocable once delivered to the Trustee.   |
| <b><i>Assistance and Information</i></b>             | <p>Requests for additional copies of this Consent Solicitation Statement and the Consent Form should be directed to the Trustee, the Advisor, or the Associates at the relevant address, telephone number or email address set out on pages 13 and 14 of this Consent Solicitation Statement. The Consent Solicitation Statement and Consent Form may also be downloaded from the Issuer’s website at <a href="http://www.sanmiguelbrewery.com.ph">www.sanmiguelbrewery.com.ph</a>.</p> <p>Any questions regarding the terms of the Consent Solicitation may be directed to the Advisor or the Associates at the relevant address, telephone number or email address set out on pages 13 and 14 of this Consent Solicitation Statement. Beneficial owners of the Bonds may also contact their brokers, dealers, commercial banks or trust companies for assistance concerning this Consent Solicitation.</p> <p>Requests for copies of the Trust Agreement and the form of the Supplemental Agreement may be directed to the Trustee at its address, telephone number or email address set out on page 14 of this Consent Solicitation Statement.</p> |
| <b><i>Income Tax Considerations</i></b>              | For a summary of certain Philippine income tax consequences in connection with the Consents and the Proposed Amendment, see “ <i>Certain Tax Considerations</i> .”  |
| <b><i>Consequences to Non-Consenting Holders</i></b> | If the Required Consents are obtained and the other conditions are satisfied (or waived) and the Supplemental Agreement becomes operative, all Bondholders will be bound by the terms of the Trust Agreement as amended by the Supplemental Agreement giving effect to the Proposed Amendment, whether or not they deliver Consent Forms.   |
| <b><i>Advisor</i></b>                                | ING Bank N.V., Manila Branch  |
| <b><i>Associates</i></b>                             | <p>BDO Capital &amp; Investment Corporation</p> <p>BPI Capital Corporation</p> <p>China Banking Corporation</p> <p>The Hongkong and Shanghai Banking Corporation Limited</p> <p>SB Capital Investment Corporation</p>   |

## THE BONDS

The terms and conditions of the Bonds are set out in the Trust Agreement and the Prospectus as of March 16, 2009 (the “*Prospectus*”) which was distributed during the offering of the Bonds. Copies of such documents are available for inspection during normal business hours at the offices of the Trustee. Requests for copies of the Trust Agreement may be directed to the Trustee at its address, telephone number or email address set out on page 14 of this Consent Solicitation Statement. The Prospectus may also be downloaded from the Issuer’s website at [www.sanmiguelbrewery.com.ph](http://www.sanmiguelbrewery.com.ph).

## THE CONSENT SOLICITATION

### 1. Background on the Proposed Amendment

The board of directors of the Issuer has approved the Issuer’s adoption of a multi-beverage strategy and expansion into the non-alcoholic beverage business as part of such strategy, premised on developments which are taking place in the beverage market.

The Issuer intends to capitalize on the opportunities presented by promising beverage categories such as the non-alcoholic beverage industry, and reinforce its growth prospects by adopting a multi-beverage strategy through diversifying into non-alcoholic beverages. The non-alcoholic beverage category remains to have a larger share of consumption and is growing at a faster pace than the alcoholic category.

The Proposed Amendment will enable the Issuer to pursue its multi-beverage strategy by providing greater flexibility for its future plans on its implementation, including its diversification into the non-alcoholic beverage business. It will allow the Issuer to transform and adapt to changes in the beverage market amid seasonal and economic fluctuations, as well as further improve the Issuer’s strategic value.

Moreover, the Proposed Amendment will align the covenants under the Trust Agreement with the covenants under its previously issued Series G and H Bonds for consistency among the Issuer’s debt facilities.

### 2. The Proposed Amendment

The terms and conditions of the Bonds set out in the Trust Agreement provide that, so long as the Bonds or any portion thereof remains outstanding, the Issuer shall not:

- (i) engage in any business except that authorized by its articles of incorporation (Section 7.2(c)); and
- (ii) amend its articles of incorporation or by-laws, if such amendments have the effect of changing the general character of its business from that being carried on as of the Signing Date (Section 7.2 (k)).

The Issuer seeks to align the negative covenants of the Issuer under Section 7.2 (c) and (k) of the Trust Agreement with its negative covenant under Section 7.2 (c) of the Trust Agreement dated March 14, 2014 covering the Issuer’s Series G and H Bonds (the “*Series G and H Bonds Trust Agreement*”). This will allow the Issuer to engage, or amend its articles of incorporation to engage, in the business of manufacturing, selling, distributing, and/or dealing, in any and all kinds of beverage products in furtherance of its multi-beverage strategy.

Section 7.2 (c) of the Series G and H Bonds Trust Agreement provides that, for so long as the Issuer's Series G and H Bonds or any portion thereof remains outstanding, the Issuer shall not:

engage in any business, or amend its articles of incorporation to authorize it to engage in any business, which is not presently authorized under its articles of incorporation, except, in either case, the business of manufacturing, selling, distributing, and/or dealing in, any and all kinds of beverage products.

To align the negative covenants of the Bonds, the Issuer proposes to amend Section 7.2 (c) and (k) of the Trust Agreement by replacing such covenants with a negative covenant similar to Section 7.2 (c) of the Series G and H Bonds Trust Agreement.

### **3. Purpose of the Consent Solicitation**

The purpose of the Consent Solicitation is to obtain the Required Consents to the Proposed Amendment.

The Required Consents must be obtained to authorize the Issuer and Trustee to enter into the Supplemental Agreement embodying the Proposed Amendment.

### **4. Terms of the Consent Solicitation**

#### **(a) Record Date**

The Record Date for the determination of Bondholders entitled to give Consents and receive the Consent Fee pursuant to this Consent Solicitation is 5:00 p.m. (Philippine time) on December 15, 2014. This Consent Solicitation Statement and the accompanying Consent Form are being sent to all Record Bondholders.

The Issuer reserves the right to establish from time to time any new time and date as the Record Date and, thereupon, any such new time and date will be deemed to be the "Record Date" for purposes of this Consent Solicitation. Notice will be provided to the Bondholders in accordance with paragraph 5 below ("*Amendments; Public Announcements*") if the Record Date is so changed.

#### **(b) Consent Fee**

Subject to the conditions set out under the heading "*Conditions to Issuer's Payment Obligations*" below, the Issuer shall pay a Consent Fee equal to PHP1.25 per PHP1,000 of the principal amount of the Bonds in respect of which a validly executed Consent Form is delivered to the Trustee on or before the Expiration Date (or 0.125% of the principal amount of such Bonds) to the Consenting Bondholder delivering such Consent Form, no later than the Consent Fee Payment Date.

The right to receive the Consent Fee is not transferable with any Bonds. The Issuer will only pay the Consent Fee to Record Bondholders who have properly delivered to the Trustee validly executed Consent Forms that have been verified by the Registrar and remain in effect at the Expiration Date in accordance with the terms hereof. No other holder of any Bonds will be entitled to receive any Consent Fee.

The Consent Fee will be made through the Record Bondholders' respective settlement banks, consistent with their instructions to the Registrar and Paying Agent for the payment of interest and principal on the Bonds.

**Consent Solicitation Statement for the 10.500% Series C Bonds due 2019**

The Consent Fee will be computed based on the following formula:

|   |                         |
|---|-------------------------|
| Consent Fee<br>$\frac{\text{Principal amount of the Bonds in respect of which the Consent Form is given}}{\text{PHP1,000}}$ | $\times \text{PHP1.25}$ |
|---|-------------------------|

(c) *Procedure for Giving Consents*

Record Bondholders who wish to consent to the Proposed Amendment should complete, sign and date the Consent Form attached hereto as Annex A and deliver the same to the Trustee at the address set forth in the Consent Form, in accordance with the instructions contained herein and therein.

If a Consent Form relates to fewer than all the Bonds or lesser than the principal amount of all the Bonds held of record as of the Record Date by the Record Bondholder executing such Consent Form, such Record Bondholder must indicate on the Consent Form the aggregate peso amount (in integral multiples of PHP1,000) of such Bonds to which the Consent relates. In the absence of a specified amount or in case the specified amount is higher than the principal amount of the Bonds registered in the Record Bondholder's name in the Register of Bondholders, the Consent Form will be deemed to relate to all Bonds and to the entire principal amount of such Bonds registered in the name of such Record Bondholder as of the Record Date.

**For a Record Bondholder to be eligible to receive the Consent Fee, a Record Bondholder must give his, her or its Consent to the Proposed Amendment by delivering to the Trustee (or procuring the delivery to the Trustee through an Associate) a properly completed and executed Consent Form and any other documents required hereunder at the Trustee's address set forth on the Consent Form, on or before the Expiration Date. Delivery of a Consent Form to the Issuer, Advisor, or Registrar shall not be considered valid delivery under this Consent Solicitation Statement, and the Record Bondholder giving such Consent Form shall not be entitled to any Consent Fee.**

**Beneficial owners of the Bonds desiring to deliver Consent Forms and whose Bonds are held, as of the Record Date, in the name of a broker, dealer, commercial bank, trust company or other nominee institution, must contact such nominee promptly and instruct such nominee, as the Record Bondholder of such Bonds, to execute and deliver a Consent Form on behalf of such beneficial owner on or prior to the Expiration Date.** Please give sufficient time to allow such person to process your instructions and meet the Expiration Date for delivery of Consent Forms. To ensure timely receipt of your instructions, please check with your broker, dealer, commercial bank, custodian or the relevant Associate for clarification as to the processing time required and deliver the appropriate materials well before that time. If such person does not have adequate time to process your instruction, your Consent will not be given effect.

The method of delivery of the documents to the Trustee is at the election and risk of the Record Bondholder delivering his, her or its Consent. Delivery of such documents will be deemed made only when actually received by the Trustee at the address set forth on the Consent Form. In all cases, sufficient time should be allowed to assure timely delivery. **Thus, while you may choose to have your documents delivered through an Associate, you must nevertheless ensure that the documents are received by the Trustee before the Expiration Date. Delivery of any Consent Form to an Associate shall not be considered valid delivery under this Consent Solicitation Statement unless such Consent Form is received by the Trustee on or before the Expiration Date.**



(d) *Determination of Validity*

The Registrar has the obligation to determine that the person(s) signing the Consent Form were duly authorized to do so based on its records and that such person(s)' signature(s) appearing therein are authentic. In the event of a change in the authorized signatories of any Record Bondholder, such Record Bondholder must ensure that copies, certified by such Record Bondholder's corporate secretary, of the resolutions adopted by such Record Bondholder's board of directors or other appropriate body (or such other documents as the Registrar may reasonably require), together with the relevant specimen signatures of such signatories, are sent to the Trustee's address together with the executed Consent Form.

The Registrar shall notify the Trustee of the results of such determination.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any delivered Consent Forms pursuant to any of the procedures described herein and the form and validity (including verification of authorized signatories) of all related documents will be determined by the Trustee, in its sole discretion, which determination will be final and binding. The Trustee reserves the absolute right to reject any or all deliveries of any Consent Forms as it may determine to be not proper. A Consent Form will not be deemed to have been validly delivered (for purposes of, among others, the Consent Fee and the determination of the Required Consents) until all defects or irregularities in such deliveries of Consent Forms have been cured or waived. Any defect or irregularity in connection with deliveries of Consent Forms must be cured within such time as the Trustee determines, unless waived. None of the Issuer, the Trustee, the Registrar, the Advisor, the Associates or any other person will be under any duty to give notification of any defects or irregularities in any deliveries of Consents or Consent Forms, or will incur any liability for failure to give any such notification.

(e) *Conditions to Issuer's Payment Obligations*

- (i) The Issuer's obligation to pay the Consent Fee to the Consenting Bondholders is subject to the following conditions:
- (1) the receipt by the Trustee of validly executed and delivered Consent Forms evidencing the Required Consents on or before the Expiration Date;
  - (2) the receipt by the Issuer of a certification from the trustee of the Series DEF Bonds that the Required Consents of the Series DEF Bonds to the Issuer's Proposed Amendment to the Series DEF Bonds Trust Agreement have been obtained on or before the Series DEF Bonds Consent Expiration Date under the terms and conditions of the Series DEF Bonds Proposed Amendment Consent Solicitation;
  - (3) the execution and delivery by the Issuer and the Trustee of the Supplemental Agreement;
  - (4) the absence of any law or regulation which would, and the absence of any pending or threatened injunction or other proceeding which (if adversely determined) would, render the Proposed Amendment unlawful or invalid, or enjoin or materially delay the implementation of the Proposed Amendment; and
  - (5) (A) no change (or development involving a prospective change) shall have occurred in or shall have threatened the Issuer's business, properties, assets, liabilities, financial condition, operations, or results of operations, and (B) no change (or development involving a prospective change) shall have occurred in the financial markets generally or affecting the Issuer's equity or the Bonds, in each case which, in the Issuer's reasonable judgment, is or may be adverse to the Issuer or has or may have a material



**Consent Solicitation Statement for the 10.500% Series C Bonds due 2019**

adverse effect upon the contemplated benefits to the Issuer of the Proposed Amendment.

- (ii) If any of the foregoing conditions are not satisfied (or waived by the Issuer) on or prior to the Expiration Date, the Issuer may, in its sole discretion and upon giving notice to the public in accordance with paragraph 5 (“*Amendments; Public Announcements*”) below, allow this Consent Solicitation to lapse or extend the solicitation period and continue soliciting Consents pursuant to this Consent Solicitation. Subject to any applicable law, this Consent Solicitation may be abandoned or terminated at any time and for any reason as determined by the Issuer in its sole discretion, in which case, any Consent received prior to such abandonment or termination will be automatically voided.

(f) *Representations and Warranties of Consenting Bondholders*

By delivering a Consent Form pursuant to this Consent Solicitation Statement, a Record Bondholder shall be deemed to acknowledge, represent, warrant and undertake to the Issuer and the Trustee, as of the date such Consent Form is delivered and the Execution Date, that:

- (i) he/she/it has received, reviewed and understood this Consent Solicitation Statement;
- (ii) he/she/it has the full power and authority to issue and deliver the Consent Form;
- (iii) he/she/it has obtained any and all approvals or consents as may be necessary to execute the Consent Form and deliver the same to the Trustee; and
- (iv) he/she/it understands, acknowledges and agrees to all of the terms and conditions set out in this Consent Solicitation Statement and the Consent Form.

(g) *Supplemental Agreement*

Following the Trustee’s certification that the Required Consents have been obtained, the Issuer and the Trustee shall, no later than one Business Day from the Trustee’s receipt of written notice from the Issuer, execute the Supplemental Agreement embodying the parties’ agreement on the Proposed Amendment. The Issuer will make a public announcement of the execution of the Supplemental Agreement via press release and disclosure to the Philippine Dealing & Exchange Corp. and Philippine Securities and Exchange Commission on the Execution Date.

The Supplemental Agreement will become effective on the Consent Fee Payment Date.

For the avoidance of doubt, the Issuer reserves the discretion to determine whether or not to execute and deliver the Supplemental Agreement, and the Issuer’s receipt of certification by the Trustee that the Required Consents have been obtained will in no event obligate the Issuer to execute the Supplemental Agreement with the Trustee. The Issuer also reserves the discretion to enter into the Supplemental Agreement with the Trustee on any day falling before or after the Expiration Date, for as long as the Required Consents have been obtained.

(h) *Binding Effect on Non-Consenting or Future Bondholders*

From and after the Consent Fee Payment Date, the Proposed Amendment will be conclusive and binding on all Bondholders and all future holders and owners of the Bonds (or of any bonds issued in lieu thereof or in exchange therefor), irrespective of whether or not such Bondholders or future holders and owners have consented to the Proposed Amendment to the Trust Agreement.

## 5. Amendments; Public Announcements

The Issuer may, in its discretion, amend any of the terms and conditions set out in this Consent Solicitation Statement, by giving written notice thereof to the Trustee and making a public announcement thereof by press release and disclosure to the Philippine Dealing & Exchange Corp. and Philippine Securities and Exchange Commission on the Business Day following the receipt of such written notice by the Trustee. Any such amendment shall become effective on the Business Day following the issuance of such press release and disclosure. Such amendments may include but are not limited to a pre-termination or extension of the period during which the Consent Solicitation shall remain open by adjusting the Expiration Date to an earlier or later time and date.

If this Consent Solicitation is amended or modified in a manner determined by us to constitute a material change to the Record Bondholders, we may, if appropriate, extend this Consent Solicitation for a period deemed by the Issuer to be adequate to permit the Record Bondholders to deliver their Consents.

The Issuer's interpretation of the terms and conditions of the Consent Solicitation will be final and binding.

## 6. Certain Tax Considerations

### *Tax on the Consent Payments*

A Record Bondholder receiving the Consent Fee may be subject to Philippine income tax on the payments received.

Under the Philippine National Internal Revenue Code of 1997, as amended (the "Tax Code"), the Consent Fee will, as a rule, form part of the gross income of the Record Bondholder delivering the Consent Form, for purposes of computing the relevant taxable income subject to the following applicable regular income tax rates: (1) variable rates based on net annual taxable income, the highest of which is 32% of net taxable income of individuals that are Philippine citizens, Philippine residents or aliens engaged in trade or business in the Philippines, (2) 25% final withholding tax for non-resident alien individuals not engaged in trade or business within the Philippines, (3) 30% of the net taxable income of domestic corporations and resident foreign corporations, and (4) 30% final withholding tax for non-resident foreign corporations.

### *Documentary stamp tax*

No documentary stamp tax is imposed in connection with the execution and delivery of the Consent Forms.

## 7. Governing Law

This Consent Solicitation Statement shall be governed by and construed in accordance with Philippine law.

*The Issuer*



**SAN MIGUEL BREWERY INC.**

40 San Miguel Avenue, Mandaluyong City, Metro Manila

**Consent Solicitation Statement for the 10.500% Series C Bonds due 2019**

Requests for assistance or additional copies of this Consent Solicitation Statement and the Consent Form should be directed to the Trustee, the Advisor, or the Associates at the relevant address, telephone number or email address listed below. The Consent Solicitation Statement and Consent Form may also be downloaded from the Issuer's website at [www.sanmiguel.com.ph](http://www.sanmiguel.com.ph). Questions concerning the terms of this Consent Solicitation may be directed to the Advisor or the Associates at the relevant address, telephone number or email address listed below.

*The Trustee for the Consent Solicitation is:*

**Bank of the Philippine Islands-Asset Management and Trust Group**  
17/F, BPI Building  
Ayala Avenue corner Paseo De Roxas  
Makati City 1226, Philippines  
Attention: The Trust Account Officer - IAM6 (re: SMB Consent Solicitation)  
Telephone: +632 816-9086 or 585-3663  
Email: [bpi.assetmanagement.iam@bpi.com.ph](mailto:bpi.assetmanagement.iam@bpi.com.ph)

*The Advisor for the Consent Solicitation is:*

**ING Bank N.V., Manila Branch**  
20th Floor, Tower One, Ayala Triangle  
Ayala Avenue, Makati City 1226, Philippines  
Attention: Rowena Palmiery-Bayoneta  
Telephone: +632 479-8715  
Email: [rowena.bayoneta@asia.ing.com](mailto:rowena.bayoneta@asia.ing.com)

*The Associates for the Consent Solicitation are:*

**BDO Capital & Investment Corporation**  
20th Floor, South Tower, BDO Corporate Center,  
7899 Makati Avenue, Makati City, Philippines  
  
Attention: Noemi T. Villanueva / Aiban Nina A. Apolinario  
Telephone: +632 878-4126 and +632 840-7000 local 33165 / 32384  
Email: [villanueva.noemi@bdo.com.ph](mailto:villanueva.noemi@bdo.com.ph) / [apolinario.aiban@bdo.com.ph](mailto:apolinario.aiban@bdo.com.ph)

**BPI Capital Corporation**  
8th Floor BPI Building, Ayala Ave. Corner Paseo de Roxas,  
Makati City 1226, Philippines  
Attention: Eric M. Luchangco  
Telephone: +632 465-2915  
Email: [emluchangco@bpi.com.ph](mailto:emluchangco@bpi.com.ph)

**China Banking Corporation**  
CBC Building, Paseo de Roxas cor. Villar  
Makati City, Philippines  
Attention: Virgilio O. Chua / Manuel C. San Diego / Mary Antonette E. Quiring  
Telephone: +632 885-5797 / 885-5555 loc. 6911 / 885-5839  
Email: [vochua@chinabank.ph](mailto:vochua@chinabank.ph) / [mcsandiego@chinabank.ph](mailto:mcsandiego@chinabank.ph) / [maequiring@chinabank.ph](mailto:maequiring@chinabank.ph)

**Consent Solicitation Statement for the 10.500% Series C Bonds due 2019**

**The Hongkong and Shanghai Banking Corporation Limited**

6th Floor HSBC Centre, 3058 Fifth Avenue West  
Bonifacio Global City, Taguig City 1634, Philippines  
Attention: Maria Corazon D. Purisima  
Telephone: +632 836-7425  
Email: corriepurisima@hsbc.com.ph

**SB Capital Investment Corporation**

18<sup>th</sup> Floor Security Bank Centre, 6776 Ayala Avenue,  
Makati City, Philippines  
Attention: Marvin S. Matias Telephone: + 632 888-7353  
Email: mmatias@securitybank.com.ph

*The Registrar for the Consent Solicitation is:*

**Philippine Depository & Trust Corp.**

37<sup>th</sup> Floor, Tower 1, The Enterprise Center  
6766 Ayala Avenue corner Paseo de Roxas  
Makati City, Philippines  
Attention: Ma. Annabelle M. Bautista / Josephine F. Dela Cruz/ Patricia Camille Garcia  
Telephone: +632 884 4409 / 884-5025 / 884-4431

*The Advisor's Legal Counsel for the Consent Solicitation is:*

**Picazo Buyco Tan Fider and Santos**

18<sup>th</sup>, 19<sup>th</sup> and 17<sup>th</sup> Floors Liberty Center  
104 H.V. Dela Costa Street  
Salcedo Village, Makati City, Philippines

**Annex A Consent Form for the 10.500% Series C Bonds due 2019**

**IMPORTANT: Please complete sections on Bond details and required signatures.  
Please submit original signed Consent Form.**

**IMPORTANT: Please complete sections on Bond details and required signatures.**

To: Bank of the Philippine Islands – Asset Management and Trust Group as Trustee  
17/F BPI Building,  
Ayala Avenue corner Paseo de Roxas, Makati City 1226  
Philippines

Attention: The Trust Account Officer - IAM6 (re: SMB Consent Solicitation)

From: \_\_\_\_\_  
as Record Bondholder

Date: \_\_\_\_\_

Dear Sirs:

**SAN MIGUEL BREWERY INC.  
Consent to the Proposed Amendment  
to the Trust Agreement (the “Trust Agreement”) dated March 16, 2009  
Governing the 10.500% Series C Bonds due 2019**

This is a Consent Form as contemplated by the Consent Solicitation Statement dated December 19, 2014 and issued by San Miguel Brewery Inc. in connection with a proposed amendment to the Trust Agreement. Unless otherwise specifically defined in this Consent Form, capitalized terms used herein have the same meanings given to them in the Consent Solicitation Statement.

The undersigned Record Bondholder hereby gives his, her or its irrevocable consent to the Proposed Amendment, and agrees that Section 7.2 (c) and (k) of the Trust Agreement, which as of the date of the Consent Solicitation Statement reads as follows:

**“The Issuer hereby covenants and agrees that the Issuer shall not: x x x**

**x x x**

**(c) engage in any business except that authorized by its articles of incorporation;  
x x x**

**(k) amend its articles of incorporation or by-laws, if such amendments have the effect of changing the general nature of its business from that being carried on as of the Signing Date.”**

shall, effective as of the Consent Fee Payment Date, be deleted and replaced by a new Section 7.2 (c) to read as follows:

**“The Issuer hereby covenants and agrees that the Issuer shall not: x x x**

**x x x**

**(c) engage in any business, or amend its articles of incorporation to authorize it to engage in any business, which is not presently authorized under its articles of incorporation, except, in either case, the business of manufacturing, selling, distributing, and/or dealing in, any and all kinds of beverage products;  
x x x**

Accordingly, the undersigned Record Bondholder irrevocably authorizes the Issuer and the Trustee to implement the Proposed Amendment and enter into the Supplemental Agreement.

In consideration of the undersigned Record Bondholder irrevocably giving the foregoing Consent, the undersigned Record Bondholder hereby accepts the offer of the Issuer of a Consent Fee of PHP1.25 per PHP1,000 of the principal amount of the Bonds covered by this Consent Form (subject to valid delivery to the Trustee of this Consent Form on or before the Expiration Date):

**(Details required to be indicated below)**

|  |  |
|--|--|
| <b>Registry Account Number</b>   |  |
| <b>Principal Amount of the 10.500% Series C Bonds Covered by this Consent Form</b> |  |

Further, the undersigned Record Bondholder confirms that he, she or it has read and understood the provisions of the Consent Solicitation Statement, and acknowledges that by his, her or its execution and delivery of this Consent Form to the Trustee, he, she or it irrevocably and unconditionally agrees to be bound by and adhere to all of the terms and conditions set out in the Consent Solicitation Statement, including, without limitation, the provision that the Issuer’s undertaking to pay the Consent Fee is subject to the fulfillment of the conditions set out in paragraph 4(e) of the Consent Solicitation Statement (“*Conditions to Issuer’s Payment Obligations*”), including but not limited to the following: (1) the Trustee’s receipt of validly executed and delivered Consent Forms from Record Bondholders representing at least 51% of the aggregate principal amount of the Bonds on or before the Expiration Date; (2) the receipt by the Issuer of a certification from the trustee of the Series DEF Bonds that the Required Consents of the Series DEF Bonds to the Issuer's Proposed Amendment to the Series DEF Bonds Trust Agreement have been obtained on or before the Series DEF Bonds Consent Expiration Date under the terms and conditions of the Series DEF Bonds Proposed Amendment Consent Solicitation; and (3) the execution and delivery by the Issuer and the Trustee of the Supplemental Agreement.

The undersigned Bondholder hereby makes the representations and warranties set out in paragraph 4(f) of the Consent Solicitation Statement (“*Representations and Warranties of Consenting Bondholders*”).

This Consent Form shall be governed by and construed in accordance with Philippine law.

Sincerely,

**(Signature(s) of the Record Bondholders to be affixed below)**

|  |  |
|--|--|
| <i>Signature Block for Record Bondholders who are natural persons:</i> | <div style="margin-bottom: 20px;"> <hr style="border: 0; border-top: 1px solid black; width: 80%; margin: 0 auto;"/>                 Name of Record Bondholder:             </div> <div> <hr style="border: 0; border-top: 1px solid black; width: 80%; margin: 0 auto;"/>                 Name of Record Bondholder:             </div> |
|--|--|

|  |  |
|--|--|
| <p><i>Signature Block for Record Bondholders which are juridical entities (e.g., corporations or partnerships) or other entities</i></p> | <p>_____<br/>Name of Record Bondholder:</p> <p>By:</p> <p>_____<br/>Position:</p> <p>_____<br/>Position:</p> |
|--|--|

**IMPORTANT NOTE TO RECORD BONDHOLDER:** In the event of a change in the authorized signatories of any Record Bondholder, such Record Bondholder must ensure that copies, certified by such Record Bondholder’s corporate secretary, of the resolutions adopted by such Record Bondholder’s board of directors or other appropriate body (or such other documents as the Registrar may reasonably require), together with the relevant specimen signatures of such signatories, are sent to the Trustee’s address together with this executed Consent Form.





SAN MIGUEL  
BREWERY INC.

## CONSENT SOLICITATION STATEMENT

Consent Solicitation for a Proposed Amendment to the Trust Agreement dated March 15, 2012 Governing the **6.05% Series D Bonds due 2017, 5.93% Series E Bonds due 2019 and 6.60% Series F Bonds due 2022**

**THE CONSENT SOLICITATION (AS DEFINED HEREIN) WILL EXPIRE AT 5:00 P.M. (PHILIPPINE TIME) ON JANUARY 30, 2015, UNLESS SOONER TERMINATED OR EXTENDED BY SAN MIGUEL BREWERY INC. IN ITS SOLE DISCRETION.**

Subject to the terms and conditions set forth in this consent solicitation statement (the "Consent Solicitation Statement"), San Miguel Brewery Inc. (the "Issuer", "we", "us" or "our"), hereby solicits consents from the holders of record of its outstanding 6.05% Series D Bonds due 2017, 5.93% Series E Bonds due 2019, and 6.60% Series F Bonds due 2022 (the "Bonds", and the holders thereof, the "Bondholders") as of 5:00 p.m. (Philippine time) on December 15, 2014 (the "Record Date") to an amendment (the "Proposed Amendment") to the Trust Agreement dated March 15, 2012 between the Issuer and Rizal Commercial Banking Corporation in its capacity as trustee (the "Trustee").

The Proposed Amendment is explained in detail in the discussion under the heading "The Proposed Amendment" below. Capitalized terms used but not defined herein shall, unless the context otherwise requires, have the meanings set forth in the Trust Agreement.

As used in this Consent Solicitation, the term "Record Bondholders" means those Bondholders of record as of the Record Date, as reflected in the Register of Bondholders maintained by the Philippine Depository & Trust Corp. (the "Registrar") pursuant to the Registry and Paying Agency Agreement dated March 15, 2012 between the Issuer and the Registrar.

For and in consideration of the grant by a Record Bondholder of his, her, or its consent to the Proposed Amendment in accordance with the terms and conditions and procedures set out in this Consent Solicitation Statement (each such consent, a "Consent"; and each Record Bondholder that delivers to the Trustee a consent form validly executed in the form enclosed herewith as Annex A (a "Consent Form") on or before 5:00 p.m. (Philippine time) of January 30, 2015 (or such time and date, as may be adjusted to an earlier or later time and date in the Issuer's sole discretion, the "Expiration Date"), a "Consenting Bondholder"), we shall pay each Consenting Bondholder an amount equal to PHP1.25 per PHP1,000 of the principal amount of the Bonds in respect of which the Consent Form is given (the "Consent Fee").

We shall pay the Consent Fee no later than the third Business Day following the later of the Expiration Date and the Execution Date (as such term is defined below) (a "Business Day" being any day other than Saturday or Sunday on which banks are open for business in Metro Manila, Philippines, and such third Business Day, the "Consent Fee Payment Date").

**PLEASE NOTE THAT THE EXPIRATION DATE MAY BE ADJUSTED TO AN EARLIER OR LATER TIME AND DATE AT THE SOLE DISCRETION OF THE ISSUER, SUBJECT TO THE ISSUER'S GIVING NOTICE OF SUCH ADJUSTMENT TO THE BONDHOLDERS IN ACCORDANCE WITH THE DISCUSSION UNDER PARAGRAPH 5 ("AMENDMENTS; PUBLIC ANNOUNCEMENTS") BELOW.**

Additionally, please note that our undertaking to pay the Consent Fee is subject to the fulfillment of the conditions discussed under paragraph 4(e) ("Conditions to Issuer's Payment Obligations") below, including but not limited to the following:

- (1) the Trustee's receipt of validly executed and delivered Consent Forms from Record Bondholders representing at least 51% of the aggregate principal amount of the Bonds (the "Required Consents") on or before the Expiration Date;
- (2) the receipt by the Issuer of a certification from the trustee of the 10.50% Series C Bonds due 2019 (the "Series C Bonds") that validly executed and delivered consents of the holders of the Series C Bonds as of the Record Date (the "Series C Record Bondholders") representing at least 51% of the aggregate principal amount of the Series C Bonds (the "Required Consents of the Series C Bonds") to the Issuer's proposed amendment to sections 7.2 (c) and (k) of the trust agreement covering the Series C Bonds (the "Proposed Amendment to the Series C Bonds Trust Agreement") have been obtained on or before the deadline set by the Issuer for the receipt of such consents from the Series C Record Bondholders (the "Series C Bonds Consent Expiration Date") under the terms

and conditions of the consent solicitation conducted by the Issuer for the Proposed Amendment to the Series C Bonds Trust Agreement (the "*Series C Bonds Proposed Amendment Consent Solicitation*"); and

- (3) the execution and delivery by the Issuer and the Trustee of the Supplemental Agreement (as defined below).

As soon as practicable following our receipt of the Trustee's certification that the Required Consents have been obtained, and in accordance with the Trust Agreement, we may execute and deliver a supplemental agreement with the Trustee that embodies the parties' agreement on the Proposed Amendment (such agreement, the "*Supplemental Agreement*", and the date on which the Supplemental Agreement is executed, the "*Execution Date*"). We will make a public announcement of the execution of the Supplemental Agreement via press release and disclosure to the Philippine Dealing & Exchange Corp. and Philippine Securities and Exchange Commission on the Execution Date.

The Supplemental Agreement will be effective only after the Issuer pays the Consent Fee. If the Required Consents have not been received on or before the Expiration Date, or any of the other conditions set forth herein are not satisfied or waived, no Consent Fee will be paid to any Bondholder, irrespective of whether or not such Bondholder has delivered a validly executed Consent Form.

Following the Consent Fee Payment Date, the Proposed Amendment to the Trust Agreement will be conclusive and binding on all Bondholders and all future holders and owners of the Bonds (or of any bonds issued in lieu thereof or in exchange therefor), irrespective of whether or not such Bondholders or future holders and owners have consented to the Proposed Amendment to the Trust Agreement.

*The Advisor for this Consent Solicitation is:*

**ING BANK N.V., MANILA BRANCH**  
*December 22, 2014*

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## IMPORTANT INFORMATION

Record Bondholders are requested to read and carefully consider the information contained herein and to give their Consent to the Proposed Amendment by properly completing and executing the Consent Form enclosed herewith in accordance with the instructions set forth herein and therein.

The transfer of Bonds after the Record Date will not have the effect of revoking any Consent validly given by a Record Bondholder, and each properly completed and executed Consent Form will be counted notwithstanding any subsequent transfer of the Bonds to which such Consent Form relates.

We expressly reserve the right, in our sole discretion and regardless of whether any of the conditions described under paragraph 4(e) (“*Conditions to Issuer’s Payment Obligations*”) have been satisfied, subject to applicable law, at any time prior to acceptance of the Consents, to: (i) terminate this Consent Solicitation for any reason; (ii) waive any of the Conditions to Issuer’s Payment Obligations under paragraph 4(e) below, in whole or in part; (iii) adjust the Expiration Date to an earlier or later time and date; and (iv) amend the terms of this Consent Solicitation. Please see paragraph 5 (“*Amendments; Public Announcements*”). In addition, we expressly reserve the right to execute and deliver to the Trustee the Supplemental Agreement on any Business Day falling before or after the Expiration Date, provided that the Trustee shall have certified that the Required Consents have been obtained.

If the conditions described below under paragraph 4(e) (“*Conditions to Issuer’s Payment Obligations*”) have not all been satisfied or waived (including, without limitation, the condition that the Trustee must have received the Required Consents on or before the Expiration Date), then we will not be obligated to pay any Consent Fee whatsoever. Any Record Bondholder desiring to give his, her or its Consent to the Proposed Amendment must deliver the properly completed and executed Consent Form and any other documents required by the Consent Form to the Trustee at the latter’s address set forth in the said Consent Form, on or prior to the Expiration Date.

Beneficial owners of the Bonds desiring to deliver Consents and whose Bonds are held, as of the Record Date, in the name of a broker, dealer, commercial bank, trust company or other nominee institution, **must contact such nominee promptly and instruct such nominee**, as the Record Bondholder of such Bonds, to deliver the Consent on behalf of the beneficial owner on or prior to the Expiration Date.

The Issuer has received the requisite corporate approvals to undertake the Consent Solicitation. However, the Issuer does not make any recommendation to you as to whether you should execute and deliver the Consent Forms. You must make your own decision as to whether or not to execute and deliver a Consent Form.

No person has been authorized to provide you with any information or make any representations other than those contained herein or in the accompanying Consent Form and other materials, and, if given or made, such information or representations must not be relied upon as having been authorized by us, the Trustee, ING Bank N.V., Manila Branch (the “*Advisor*”), the Associates or any other person. None of the Advisor, the Trustee, the Associates or any of their respective affiliates, has verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Advisor, the Trustee, the Associates or any of their respective affiliates as to the accuracy or completeness of the information contained in this Consent Solicitation Statement or any other information provided by the Issuer in connection with this Consent Solicitation. None of the Advisor, the Trustee, the Associates or any of their respective affiliates, accepts any responsibility for this Consent Solicitation Statement, makes any representation regarding this Consent Solicitation Statement or this Consent Solicitation or owes any duty to any Bondholder except as may be provided in the Trust Agreement.

The statements made in this Consent Solicitation Statement are made as of the date hereof, and the delivery of this Consent Solicitation Statement and the accompanying materials shall not, under any circumstances, create any implication that the information contained herein is correct subsequent to the date hereof or after the date hereof, or that there has been no change in the information set forth herein or in our affairs since the date hereof.

ING Bank N.V., Manila Branch is acting as Advisor to the Issuer in relation to this Consent Solicitation and to no one else and will not regard any other person as its customer or be responsible to anyone other than the Issuer for providing the protections normally afforded to customers of the Advisor or for providing advice in relation to this Consent Solicitation. The Advisor and its associates may have a holding in, or may from time to time provide advice or other investment services in relation to, or engage in transactions involving, the Bonds.

Recipients of this Consent Solicitation Statement and the accompanying materials should not construe the contents hereof or thereof as legal, business or tax advice. Each recipient should consult its own attorney, business advisor, tax advisor and other professional advisors as to the legal, business, tax and other matters concerning this solicitation.

Requests for additional copies of this Consent Solicitation Statement and the Consent Form should be directed to the **Trustee**, the **Advisor**, or the **Associates** at the relevant address, telephone number or email address set out on pages 13 and 14 of this Consent Solicitation Statement. The Consent Solicitation Statement and the Consent Form may also be downloaded from the Issuer's website at [www.sanmiguelbrewery.com.ph](http://www.sanmiguelbrewery.com.ph).

Any questions regarding the terms of the Consent Solicitation may be directed to the **Advisor** or the **Associates** at the relevant address, telephone number or email address set out on pages 13 and 14 of this Consent Solicitation Statement.

This Consent Solicitation Statement is issued and directed only to the Record Bondholders and no other person shall be, or is entitled to rely or act on, or be able to act on, its contents.

Each Record Bondholder, by accepting delivery of this Consent Solicitation Statement and by execution and delivery of the Consent Form, will be deemed to have represented, agreed and acknowledged that he, she or it is the beneficial owner of the Bonds to which the Consent Form relates or has been duly authorized to act on behalf of the beneficial owner of such Bonds; and he, she or it understands that the Issuer, the Trustee, the Advisor, the Associates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

This Consent Solicitation Statement has not been reviewed by the Philippine Securities and Exchange Commission.

**NONE OF THE ISSUER, THE TRUSTEE, THE ADVISOR, OR THE ASSOCIATES MAKES ANY RECOMMENDATION AS TO WHETHER OR NOT RECORD BONDHOLDERS SHOULD CONSENT TO THE PROPOSED AMENDMENT. EACH RECORD BONDHOLDER MUST MAKE HIS, HER OR ITS OWN DECISION AS TO WHETHER TO EXECUTE AND DELIVER A CONSENT FORM PURSUANT TO THIS CONSENT SOLICITATION STATEMENT. RECORD BONDHOLDERS ARE URGED TO CAREFULLY EVALUATE ALL OF THE INFORMATION IN THIS CONSENT SOLICITATION STATEMENT AND TO CONSULT THEIR OWN INVESTMENT AND TAX ADVISORS IN MAKING THEIR DECISION AS TO WHETHER TO EXECUTE AND DELIVER A CONSENT FORM PURSUANT TO THIS CONSENT SOLICITATION STATEMENT.**

**IMPORTANT DATES FOR THE CONSENT SOLICITATION**

Bondholders should take note of the following important dates in connection with this Consent Solicitation. Please note that this schedule is subject to change if the Issuer adjusts the Expiration Date to a later or earlier time and date, or otherwise amends the terms of this Consent Solicitation, in its sole discretion, as permitted by and in accordance with this Consent Solicitation Statement.

| <b>Date</b>                                      | <b>Event</b>  |
|--|---|
| 5:00 p.m. (Philippine time) of December 15, 2014 | Record Date   |
| January 5, 2015                                  | Commencement of the Consent Solicitation  |
| January 5, 2015 to January 30, 2015              | The period during which Record Bondholders may deliver Consents, as may be adjusted by the Issuer to a later or earlier time and date in its sole discretion.   |
| 5:00 p.m. (Philippine time) of January 30, 2015  | Expiration Date – The deadline for a Record Bondholder to deliver Consents pursuant to the Consent Solicitation and be eligible to receive the Consent Fee. The Expiration Date may be adjusted by the Issuer to a later or earlier time and date in its sole discretion. The Expiration Date for the Bonds is independent of the Series C Bonds Consent Expiration Date. |
| February 6, 2015                                 | The estimated Execution Date – The date on which the Issuer and the Trustee may enter into the Supplemental Agreement.  |
| February 11, 2015                                | The estimated Consent Fee Payment Date – The date upon which the Proposed Amendment will become effective after the payment of the Consent Fee by the Issuer pursuant to the Consent Solicitation.  |

## SUMMARY OF THE CONSENT SOLICITATION

*The following summary is provided solely for the convenience of the Record Bondholders and is qualified in its entirety by reference to the more detailed information contained elsewhere in this Consent Solicitation Statement and any amendments or supplements hereto. Record Bondholders are urged to read this Consent Solicitation Statement and the related Consent Form in their entirety, as each contains important information which Record Bondholders should read carefully before making any decision with respect to the Consent Solicitation conducted hereby.*

### **Overview**

The purpose of this Consent Solicitation is to obtain the Consent from Record Bondholders holding at least 51% of the aggregate principal amount of the Bonds to the Proposed Amendment. For a more detailed description of the Consent we are seeking, please refer to the discussion under the heading “*The Proposed Amendment*” below.

|                                      |  |
|--------------------------------------|--|
| <b><i>The Bonds</i></b>              | 6.05% Series D Bonds due 2017<br>5.93% Series E Bonds due 2019, and<br>6.60% Series F Bonds due 2022   |
| <b><i>Consent Solicitation</i></b>   | <p>The purpose of this Consent Solicitation is to obtain the consent, to the Proposed Amendment, of Record Bondholders holding at least 51% of the aggregate principal amount of the Bonds.</p> <p>The Proposed Amendment seeks to align the terms of Section 7.2 (c) and (k) (Negative Covenants) of the Trust Agreement with Section 7.2 (c) of the Trust Agreement dated March 14, 2014 between the Issuer and the Trustee covering the Issuer’s 5.50% Series G Bonds due 2021 and 6.00% Series H Bonds due 2024 (the “<i>Series G and H Bonds</i>”).</p> <p><b>The Proposed Amendment will not alter the interest rate or maturity date of the Bonds, the Issuer’s obligation to make principal and interest payments on the Bonds, or the substantive effect of any other covenant or provision of the Bonds.</b></p> |
| <b><i>Consent Fee</i></b>            | Subject to the conditions set out under the heading “ <i>Conditions to Issuer’s Payment Obligations</i> ” below, the Issuer will pay to each Record Bondholder from whom the Trustee has received a validly executed and delivered Consent Form on or before the Expiration Date an amount equal to PHP1.25 for each PHP1,000 of the principal amount of the Bonds in respect of which such Consent Form is given.   |
| <b><i>Trust Agreement</i></b>        | The Trust Agreement dated March 15, 2012 by and between the Issuer and the Trustee.  |
| <b><i>Supplemental Agreement</i></b> | The Supplemental Agreement to be entered into by and between the Issuer and the Trustee to embody the agreement among the Issuer, the Consenting Bondholders and the Trustee on the Proposed Amendment. The Supplemental Agreement will modify the terms of the Trust Agreement solely with respect to the negative covenants of the Issuer under Sections 7.2 (c) and (k) of the Trust Agreement.   |

|  |   |
|--|---|
| <b><i>Trustee</i></b>                                    | Rizal Commercial Banking Corporation  |
| <b><i>Required Consents</i></b>                          | The receipt by the Trustee of validly executed and delivered Consent Forms evidencing the Consents of Record Bondholders representing at least 51% of the aggregate principal amount of the Bonds on or before the Expiration Date.   |
| <b><i>Expiration Date</i></b>                            | This Consent Solicitation will expire at 5:00 p.m. (Philippine time) on January 30, 2015, unless such time and date are adjusted to an earlier or later time and date by the Issuer in its sole discretion. The Expiration Date for the Bonds is independent of the Series C Bonds Consent Expiration Date.   |
| <b><i>Record Date</i></b>                                | 5:00 p.m. (Philippine time) of December 15, 2014  |
| <b><i>Conditions to Issuer's Payment Obligations</i></b> | <p>The Issuer's obligation to pay the Consent Fee to the Consenting Bondholders is subject to the following conditions:</p> <ol style="list-style-type: none"> <li>(1) the receipt by the Trustee of validly executed and delivered Consent Forms evidencing the Required Consents on or before the Expiration Date;</li> <li>(2) the receipt by the Issuer of a certification from the trustee of the Series C Bonds that the Required Consents of the Series C Bonds to the Issuer's Proposed Amendment to the Series C Bonds Trust Agreement have been obtained on or before the Series C Bonds Consent Expiration Date under the terms and conditions of the Series C Bonds Proposed Amendment Consent Solicitation;</li> <li>(3) the execution and delivery by the Issuer and the Trustee of the Supplemental Agreement;</li> <li>(4) the absence of any law or regulation which would, and the absence of any pending or threatened injunction or other proceeding which (if adversely determined) would, render the Proposed Amendment unlawful or invalid, or enjoin or materially delay the implementation of the Proposed Amendment; and</li> <li>(5) (A) no change (or development involving a prospective change) shall have occurred in or shall have threatened the Issuer's business, properties, assets, liabilities, financial condition, operations, or results of operations, and (B) no change (or development involving a prospective change) shall have occurred in the financial markets generally or affecting the Issuer's equity or the Bonds, in each case, which, in the Issuer's reasonable judgment, is or may be adverse to the Issuer or has or may have a material adverse effect upon the contemplated benefits to the Issuer of the Proposed Amendment.</li> </ol> <p>The foregoing conditions are for the Issuer's sole benefit and the Issuer may, in its sole discretion, waive any of the Conditions, in whole or in part, at any time and from time to time or otherwise amend the terms and conditions of this Consent Solicitation at any time.</p> |



|  |   |
|--|---|
| <b><i>How to Deliver Consents</i></b>                | Validly completed and executed Consent Forms should be delivered to the Trustee in time for receipt by the latter on or before the Expiration Date in accordance with paragraph 4(c) (“ <i>Procedure for Giving Consents</i> ”).  |
| <b><i>Irrevocability of Consents</i></b>             | Consents are irrevocable once delivered to the Trustee.   |
| <b><i>Assistance and Information</i></b>             | <p>Requests for additional copies of this Consent Solicitation Statement and the Consent Form should be directed to the Trustee, the Advisor, or the Associates at the relevant address, telephone number or email address set out on pages 13 and 14 of this Consent Solicitation Statement. The Consent Solicitation Statement and Consent Form may also be downloaded from the Issuer’s website at <a href="http://www.sanmiguelbrewery.com.ph">www.sanmiguelbrewery.com.ph</a>.</p> <p>Any questions regarding the terms of the Consent Solicitation may be directed to the Advisor or the Associates at the relevant address, telephone number or email address set out on pages 13 and 14 of this Consent Solicitation Statement. Beneficial owners of the Bonds may also contact their brokers, dealers, commercial banks or trust companies for assistance concerning this Consent Solicitation.</p> <p>Requests for copies of the Trust Agreement and the form of the Supplemental Agreement may be directed to the Trustee at its address, telephone number or email address set out on page 14 of this Consent Solicitation Statement.</p> |
| <b><i>Income Tax Considerations</i></b>              | For a summary of certain Philippine income tax consequences in connection with the Consents and the Proposed Amendment, see “ <i>Certain Tax Considerations</i> .”  |
| <b><i>Consequences to Non-Consenting Holders</i></b> | If the Required Consents are obtained and the other conditions are satisfied (or waived) and the Supplemental Agreement becomes operative, all Bondholders will be bound by the terms of the Trust Agreement as amended by the Supplemental Agreement giving effect to the Proposed Amendment, whether or not they deliver Consent Forms.   |
| <b><i>Advisor</i></b>                                | ING Bank N.V., Manila Branch  |
| <b><i>Associates</i></b>                             | <p>BDO Capital &amp; Investment Corporation</p> <p>BPI Capital Corporation</p> <p>China Banking Corporation</p> <p>The Hongkong and Shanghai Banking Corporation Limited</p> <p>SB Capital Investment Corporation</p>   |

## THE BONDS

The terms and conditions of the Bonds are set out in the Trust Agreement and the Prospectus as of March 15, 2012 (the “*Prospectus*”) which was distributed during the offering of the Bonds. Copies of such documents are available for inspection during normal business hours at the offices of the Trustee. Requests for copies of the Trust Agreement may be directed to the Trustee at its address, telephone number or email address set out on page 14 of this Consent Solicitation Statement. The Prospectus may also be downloaded from the Issuer’s website at [www.sanmiguelbrewery.com.ph](http://www.sanmiguelbrewery.com.ph).

## THE CONSENT SOLICITATION

### 1. Background on the Proposed Amendment

The board of directors of the Issuer has approved the Issuer’s adoption of a multi-beverage strategy and expansion into the non-alcoholic beverage business as part of such strategy, premised on developments which are taking place in the beverage market.

The Issuer intends to capitalize on the opportunities presented by promising beverage categories such as the non-alcoholic beverage industry, and reinforce its growth prospects by adopting a multi-beverage strategy through diversifying into non-alcoholic beverages. The non-alcoholic beverage category remains to have a larger share of consumption and is growing at a faster pace than the alcoholic category.

The Proposed Amendment will enable the Issuer to pursue its multi-beverage strategy by providing greater flexibility for its future plans on its implementation, including its diversification into the non-alcoholic beverage business. It will allow the Issuer to transform and adapt to changes in the beverage market amid seasonal and economic fluctuations, as well as further improve the Issuer’s strategic value.

Moreover, the Proposed Amendment will align the covenants under the Trust Agreement with the covenants under its previously issued Series G and H Bonds for consistency among the Issuer’s debt facilities.

### 2. The Proposed Amendment

The terms and conditions of the Bonds set out in the Trust Agreement provide that, so long as the Bonds or any portion thereof remains outstanding, the Issuer shall not:

- (i) engage in any business except that authorized by its articles of incorporation as amended as of the Signing Date (Section 7.2(c)); and
- (ii) amend its articles of incorporation or by-laws, if such amendments have the effect of changing the general nature of its business from that being carried on as of the Signing Date (Section 7.2 (k)).

The Issuer seeks to align the negative covenants of the Issuer under Section 7.2 (c) and (k) of the Trust Agreement with its negative covenant under Section 7.2 (c) of the Trust Agreement dated March 14, 2014 covering the Issuer’s Series G and H Bonds (the “*Series G and H Bonds Trust Agreement*”). This will allow the Issuer to engage, or amend its articles of incorporation to engage, in the business of manufacturing, selling, distributing, and/or dealing, in any and all kinds of beverage products in furtherance of its multi-beverage strategy.

Section 7.2 (c) of the Series G and H Bonds Trust Agreement provides that, for so long as the Issuer's Series G and H Bonds or any portion thereof remains outstanding, the Issuer shall not:

engage in any business, or amend its articles of incorporation to authorize it to engage in any business, which is not presently authorized under its articles of incorporation, except, in either case, the business of manufacturing, selling, distributing, and/or dealing in, any and all kinds of beverage products.

To align the negative covenants of the Bonds, the Issuer proposes to amend Section 7.2 (c) and (k) of the Trust Agreement by replacing such covenants with a negative covenant similar to Section 7.2 (c) of the Series G and H Bonds Trust Agreement.

### **3. Purpose of the Consent Solicitation**

The purpose of the Consent Solicitation is to obtain the Required Consents to the Proposed Amendment.

The Required Consents must be obtained to authorize the Issuer and Trustee to enter into the Supplemental Agreement embodying the Proposed Amendment.

### **4. Terms of the Consent Solicitation**

#### *(a) Record Date*

The Record Date for the determination of Bondholders entitled to give Consents and receive the Consent Fee pursuant to this Consent Solicitation is 5:00 p.m. (Philippine time) on December 15, 2014. This Consent Solicitation Statement and the accompanying Consent Form are being sent to all Record Bondholders.

The Issuer reserves the right to establish from time to time any new time and date as the Record Date and, thereupon, any such new time and date will be deemed to be the "Record Date" for purposes of this Consent Solicitation. Notice will be provided to the Bondholders in accordance with paragraph 5 below ("*Amendments; Public Announcements*") if the Record Date is so changed.

#### *(b) Consent Fee*

Subject to the conditions set out under the heading "*Conditions to Issuer's Payment Obligations*" below, the Issuer shall pay a Consent Fee equal to PHP1.25 per PHP1,000 of the principal amount of the Bonds in respect of which a validly executed Consent Form is delivered to the Trustee on or before the Expiration Date (or 0.125% of the principal amount of such Bonds) to the Consenting Bondholder delivering such Consent Form, no later than the Consent Fee Payment Date.

The right to receive the Consent Fee is not transferable with any Bonds. The Issuer will only pay the Consent Fee to Record Bondholders who have properly delivered to the Trustee validly executed Consent Forms that have been verified by the Registrar and remain in effect at the Expiration Date in accordance with the terms hereof. No other holder of any Bonds will be entitled to receive any Consent Fee.

The Consent Fee will be made through the Record Bondholders' respective settlement banks, consistent with their instructions to the Registrar and Paying Agent for the payment of interest and principal on the Bonds.

The Consent Fee will be computed based on the following formula:

|  |                         |
|--|-------------------------|
| Consent Fee  |                         |
| $\frac{\text{Principal amount of the Bonds in respect of which the Consent Form is given}}{\text{PHP1,000}}$ | $\times \text{PHP1.25}$ |

(c) *Procedure for Giving Consents*

Record Bondholders who wish to consent to the Proposed Amendment should complete, sign and date the Consent Form attached hereto as Annex A and deliver the same to the Trustee at the address set forth in the Consent Form, in accordance with the instructions contained herein and therein.

If a Consent Form relates to fewer than all the Bonds or lesser than the principal amount of all the Bonds held of record as of the Record Date by the Record Bondholder executing such Consent Form, such Record Bondholder must indicate on the Consent Form the aggregate peso amount (in integral multiples of PHP1,000) of such Bonds to which the Consent relates. In the absence of a specified amount or in case the specified amount is higher than the principal amount of the Bonds registered in the Record Bondholder's name in the Register of Bondholders, the Consent Form will be deemed to relate to all Bonds and to the entire principal amount of such Bonds registered in the name of such Record Bondholder as of the Record Date.

**For a Record Bondholder to be eligible to receive the Consent Fee, a Record Bondholder must give his, her or its Consent to the Proposed Amendment by delivering to the Trustee (or procuring the delivery to the Trustee through an Associate) a properly completed and executed Consent Form and any other documents required hereunder at the Trustee's address set forth on the Consent Form, on or before the Expiration Date. Delivery of a Consent Form to the Issuer, Advisor, or Registrar shall not be considered valid delivery under this Consent Solicitation Statement, and the Record Bondholder giving such Consent Form shall not be entitled to any Consent Fee.**

**Beneficial owners of the Bonds desiring to deliver Consent Forms and whose Bonds are held, as of the Record Date, in the name of a broker, dealer, commercial bank, trust company or other nominee institution, must contact such nominee promptly and instruct such nominee, as the Record Bondholder of such Bonds, to execute and deliver a Consent Form on behalf of such beneficial owner on or prior to the Expiration Date.** Please give sufficient time to allow such person to process your instructions and meet the Expiration Date for delivery of Consent Forms. To ensure timely receipt of your instructions, please check with your broker, dealer, commercial bank, custodian or the relevant Associate for clarification as to the processing time required and deliver the appropriate materials well before that time. If such person does not have adequate time to process your instruction, your Consent will not be given effect.

The method of delivery of the documents to the Trustee is at the election and risk of the Record Bondholder delivering his, her or its Consent. Delivery of such documents will be deemed made only when actually received by the Trustee at the address set forth on the Consent Form. In all cases, sufficient time should be allowed to assure timely delivery. **Thus, while you may choose to have your documents delivered through an Associate, you must nevertheless ensure that the documents are received by the Trustee before the Expiration Date. Delivery of any Consent Form to an Associate shall not be considered valid delivery under this Consent Solicitation Statement unless such Consent Form is received by the Trustee on or before the Expiration Date.**

(d) *Determination of Validity*

The Registrar has the obligation to determine that the person(s) signing the Consent Form were duly authorized to do so based on its records and that such person(s)' signature(s) appearing therein are authentic. In the event of a change in the authorized signatories of any Record Bondholder, such Record Bondholder must ensure that copies, certified by such Record Bondholder's corporate secretary, of the resolutions adopted by such Record Bondholder's board of directors or other appropriate body (or such other documents as the Registrar may reasonably require), together with the relevant specimen signatures of such signatories, are sent to the Trustee's address together with the executed Consent Form.

The Registrar shall notify the Trustee of the results of such determination.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any delivered Consent Forms pursuant to any of the procedures described herein and the form and validity (including verification of authorized signatories) of all related documents will be determined by the Trustee, in its sole discretion, which determination will be final and binding. The Trustee reserves the absolute right to reject any or all deliveries of any Consent Forms as it may determine to be not proper. A Consent Form will not be deemed to have been validly delivered (for purposes of, among others, the Consent Fee and the determination of the Required Consents) until all defects or irregularities in such deliveries of Consent Forms have been cured or waived. Any defect or irregularity in connection with deliveries of Consent Forms must be cured within such time as the Trustee determines, unless waived. None of the Issuer, the Trustee, the Registrar, the Advisor, the Associates or any other person will be under any duty to give notification of any defects or irregularities in any deliveries of Consents or Consent Forms, or will incur any liability for failure to give any such notification.

(e) *Conditions to Issuer's Payment Obligations*

(i) The Issuer's obligation to pay the Consent Fee to the Consenting Bondholders is subject to the following conditions:

- (1) the receipt by the Trustee of validly executed and delivered Consent Forms evidencing the Required Consents on or before the Expiration Date;
- (2) the receipt by the Issuer of a certification from the trustee of the Series C Bonds that the Required Consents of the Series C Bonds to the Issuer's Proposed Amendment to the Series C Bonds Trust Agreement have been obtained on or before the Series C Bonds Consent Expiration Date under the terms and conditions of the Series C Bonds Proposed Amendment Consent Solicitation;
- (3) the execution and delivery by the Issuer and the Trustee of the Supplemental Agreement;
- (4) the absence of any law or regulation which would, and the absence of any pending or threatened injunction or other proceeding which (if adversely determined) would, render the Proposed Amendment unlawful or invalid, or enjoin or materially delay the implementation of the Proposed Amendment; and
- (5) (A) no change (or development involving a prospective change) shall have occurred in or shall have threatened the Issuer's business, properties, assets, liabilities, financial condition, operations, or results of operations, and (B) no change (or development involving a prospective change) shall have occurred in the financial markets generally or affecting the Issuer's equity or the Bonds, in each case which, in the Issuer's reasonable

judgment, is or may be adverse to the Issuer or has or may have a material adverse effect upon the contemplated benefits to the Issuer of the Proposed Amendment.

- (ii) If any of the foregoing conditions are not satisfied (or waived by the Issuer) on or prior to the Expiration Date, the Issuer may, in its sole discretion and upon giving notice to the public in accordance with paragraph 5 (“*Amendments; Public Announcements*”) below, allow this Consent Solicitation to lapse or extend the solicitation period and continue soliciting Consents pursuant to this Consent Solicitation. Subject to any applicable law, this Consent Solicitation may be abandoned or terminated at any time and for any reason as determined by the Issuer in its sole discretion, in which case, any Consent received prior to such abandonment or termination will be automatically voided.

(f) *Representations and Warranties of Consenting Bondholders*

By delivering a Consent Form pursuant to this Consent Solicitation Statement, a Record Bondholder shall be deemed to acknowledge, represent, warrant and undertake to the Issuer and the Trustee, as of the date such Consent Form is delivered and the Execution Date, that:

- (i) he/she/it has received, reviewed and understood this Consent Solicitation Statement;
- (ii) he/she/it has the full power and authority to issue and deliver the Consent Form;
- (iii) he/she/it has obtained any and all approvals or consents as may be necessary to execute the Consent Form and deliver the same to the Trustee; and
- (iv) he/she/it understands, acknowledges and agrees to all of the terms and conditions set out in this Consent Solicitation Statement and the Consent Form.

(g) *Supplemental Agreement*

Following the Trustee’s certification that the Required Consents have been obtained, the Issuer and the Trustee shall, no later than one Business Day from the Trustee’s receipt of written notice from the Issuer, execute the Supplemental Agreement embodying the parties’ agreement on the Proposed Amendment. The Issuer will make a public announcement of the execution of the Supplemental Agreement via press release and disclosure to the Philippine Dealing & Exchange Corp. and Philippine Securities and Exchange Commission on the Execution Date.

The Supplemental Agreement will become effective on the Consent Fee Payment Date.

For the avoidance of doubt, the Issuer reserves the discretion to determine whether or not to execute and deliver the Supplemental Agreement, and the Issuer’s receipt of certification by the Trustee that the Required Consents have been obtained will in no event obligate the Issuer to execute the Supplemental Agreement with the Trustee. The Issuer also reserves the discretion to enter into the Supplemental Agreement with the Trustee on any day falling before or after the Expiration Date, for as long as the Required Consents have been obtained.

(h) *Binding Effect on Non-Consenting or Future Bondholders*

From and after the Consent Fee Payment Date, the Proposed Amendment will be conclusive and binding on all Bondholders and all future holders and owners of the Bonds (or of any bonds issued in lieu thereof or in exchange therefor), irrespective of whether or not such Bondholders or future holders and owners have consented to the Proposed Amendment to the Trust Agreement.

## 5. Amendments; Public Announcements

The Issuer may, in its discretion, amend any of the terms and conditions set out in this Consent Solicitation Statement, by giving written notice thereof to the Trustee and making a public announcement thereof by press release and disclosure to the Philippine Dealing & Exchange Corp. and Philippine Securities and Exchange Commission on the Business Day following the receipt of such written notice by the Trustee. Any such amendment shall become effective on the Business Day following the issuance of such press release and disclosure. Such amendments may include but are not limited to a pre-termination or extension of the period during which the Consent Solicitation shall remain open by adjusting the Expiration Date to an earlier or later time and date.

If this Consent Solicitation is amended or modified in a manner determined by us to constitute a material change to the Record Bondholders, we may, if appropriate, extend this Consent Solicitation for a period deemed by the Issuer to be adequate to permit the Record Bondholders to deliver their Consents.

The Issuer's interpretation of the terms and conditions of the Consent Solicitation will be final and binding.

## 6. Certain Tax Considerations

### *Tax on the Consent Payments*

A Record Bondholder receiving the Consent Fee may be subject to Philippine income tax on the payments received.

Under the Philippine National Internal Revenue Code of 1997, as amended (the "*Tax Code*"), the Consent Fee will, as a rule, form part of the gross income of the Record Bondholder delivering the Consent Form, for purposes of computing the relevant taxable income subject to the following applicable regular income tax rates: (1) variable rates based on net annual taxable income, the highest of which is 32% of net taxable income of individuals that are Philippine citizens, Philippine residents or aliens engaged in trade or business in the Philippines, (2) 25% final withholding tax for non-resident alien individuals not engaged in trade or business within the Philippines, (3) 30% of the net taxable income of domestic corporations and resident foreign corporations, and (4) 30% final withholding tax for non-resident foreign corporations.

### *Documentary stamp tax*

No documentary stamp tax is imposed in connection with the execution and delivery of the Consent Forms.

## 7. Governing Law

This Consent Solicitation Statement shall be governed by and construed in accordance with Philippine law.

*The Issuer*



**SAN MIGUEL BREWERY INC.**

40 San Miguel Avenue, Mandaluyong City, Metro Manila



Requests for assistance or additional copies of this Consent Solicitation Statement and the Consent Form should be directed to the Trustee, the Advisor or the Associates at the relevant address, telephone number or email address listed below. The Consent Solicitation Statement and Consent Form may also be downloaded from the Issuer's website at [www.sanmiguelbrewery.com.ph](http://www.sanmiguelbrewery.com.ph). Questions concerning the terms of this Consent Solicitation may be directed to the Advisor or the Associates at the relevant address, telephone number or email address listed below.

*The Trustee for the Consent Solicitation is:*

**Rizal Commercial Banking Corporation – Trust and Investments Group**

9th Floor, Yuchengo Tower, RCBC Plaza  
6819 Ayala Avenue corner Paseo De Roxas  
Makati City, Philippines  
Attention: Ryan Roy W. Sinaon (re: SMB Consent Solicitation)  
Telephone: +632 894-9000 local 1278  
Email: [rwsinaon@rcbc.com](mailto:rwsinaon@rcbc.com)

*The Advisor for the Consent Solicitation is:*

**ING Bank N.V., Manila Branch**

20th Floor, Tower One, Ayala Triangle  
Ayala Avenue, Makati City 1226, Philippines  
Attention: Rowena Palmiery-Bayoneta  
Telephone: +632 479-8715  
Email: [rowena.bayoneta@asia.ing.com](mailto:rowena.bayoneta@asia.ing.com)

*The Associates for the Consent Solicitation are:*

**BDO Capital & Investment Corporation**

20th Floor, South Tower, BDO Corporate Center,  
7899 Makati Avenue, Makati City, Philippines  
  
Attention: Noemi T. Villanueva / Aiban Nina A. Apolinario  
Telephone: +632 878-4126 and +632 840-7000 local 33165 / 32384  
Email: [villanueva.noemi@bdo.com.ph](mailto:villanueva.noemi@bdo.com.ph) / [Apolinario.aiban@bdo.com.ph](mailto:Apolinario.aiban@bdo.com.ph)

**BPI Capital Corporation**

8th floor BPI Building, Ayala Ave. Corner Paseo de Roxas,  
Makati City 1226, Philippines  
Attention: Eric M. Luchangco  
Telephone: +632 465-2915  
Email: [emluchangco@bpi.com.ph](mailto:emluchangco@bpi.com.ph)

**China Banking Corporation**

CBC Building, Paseo de Roxas cor. Villar  
Makati City, Philippines  
Attention: Virgilio O. Chua / Manuel C. San Diego / Mary Antonette E. Quiring  
Telephone: +632 885-5797 / 885-5555 loc. 6911 / 885-5839  
Email: [vochua@chinabank.ph](mailto:vochua@chinabank.ph) / [mcsandiego@chinabank.ph](mailto:mcsandiego@chinabank.ph) / [maequiring@chinabank.ph](mailto:maequiring@chinabank.ph)



**The Hongkong and Shanghai Banking Corporation Limited**

6th Floor HSBC Centre, 3058 Fifth Avenue West  
Bonifacio Global City, Taguig City 1634, Philippines  
Attention: Maria Corazon D. Purisima  
Telephone: +632 836-7425  
Email: corriepurisima@hsbc.com.ph

**SB Capital Investment Corporation**

18<sup>th</sup> Floor Security Bank Centre, 6776 Ayala Avenue,  
Makati City, Philippines  
Attention: Marvin S. Matias Telephone: + 632 888-7353  
Email: mmatias@securitybank.com.ph

*The Registrar for the Consent Solicitation is:*

**Philippine Depository and Trust Corporation**

37<sup>th</sup> Floor, Tower 1, The Enterprise Center  
6766 Ayala Avenue corner Paseo de Roxas  
Makati City, Philippines  
Attention: Ma. Annabelle M. Bautista  
Telephone: +632 884 4409

*The Advisor's Legal Counsel for the Consent Solicitation is:*

**Picazo Buyco Tan Fider and Santos**

18<sup>th</sup>, 19<sup>th</sup> and 17<sup>th</sup> Floors Liberty Center  
104 H.V. Dela Costa Street  
Salcedo Village, Makati City, Philippines

**Annex A Consent Form for the 6.05% Series D Bonds due 2017, 5.93% Series E Bonds due 2019 and 6.60% Series F Bonds Due 2022**

**IMPORTANT: Please complete sections on Bond details and required signatures.  
Please submit original signed Consent Form.**

**IMPORTANT: Please complete sections on Bond details and required signatures**

To: Rizal Commerical Banking Corporation – Trust and Investments Group as Trustee  
9th Floor, Yuchengco Tower, RCBC Plaza  
6819 Ayala Avenue Triangle, Makati City  
Philippines

Attention: Ryan Sinaon (re: SMB Consent Solicitation)

From: \_\_\_\_\_  
as Record Bondholder

Date: \_\_\_\_\_

Dear Sirs:

**SAN MIGUEL BREWERY INC.  
Consent to the Proposed Amendment  
to the Trust Agreement (the “Trust Agreement”) dated March 15, 2012  
Governing the 6.05% Series D Bonds due 2017, 5.93% Series E Bonds due 2019 and 6.60%  
Series F Bonds due 2022**

This is a Consent Form as contemplated by the Consent Solicitation Statement dated December 19, 2014 and issued by San Miguel Brewery Inc. in connection with a proposed amendment to the Trust Agreement. Unless otherwise specifically defined in this Consent Form, capitalized terms used herein have the same meanings given to them in the Consent Solicitation Statement.

The undersigned Record Bondholder hereby gives his, her or its irrevocable consent to the Proposed Amendment, and agrees that Section 7.2 (c) and (k) of the Trust Agreement, which as of the date of the Consent Solicitation Statement reads as follows:

**“The Issuer hereby covenants and agrees that the Issuer shall not: x x x**

**x x x**

**(c) engage in any business except that authorized by its articles of incorporation, as amended as of the Signing Date;**

**x x x**

**(k) amend its articles of incorporation or by-laws, if such amendments have the effect of changing the general nature of its business from that being carried on as of the Signing Date.”**

shall, effective as of the Consent Fee Payment Date, be deleted and replaced by a new Section 7.2 (c) to read as follows:

**“The Issuer hereby covenants and agrees that the Issuer shall not: x x x**

**x x x**

**(c) engage in any business, or amend its articles of incorporation to authorize it to engage in any business, which is not presently authorized under its articles of incorporation, except, in either case, the business of manufacturing, selling, distributing, and/or dealing in, any and all kinds of beverage products;**

**x x x**

Accordingly, the undersigned Record Bondholder irrevocably authorizes the Issuer and the Trustee to implement the Proposed Amendment and enter into the Supplemental Agreement.

In consideration of the undersigned Record Bondholder irrevocably giving the foregoing Consent, the undersigned Record Bondholder hereby accepts the offer of the Issuer of a Consent Fee of PHP1.25 per PHP1,000 of the principal amount of the Bonds covered by this Consent Form (subject to valid delivery to the Trustee of this Consent Form on or before the Expiration Date):

**(Details required to be indicated below)**

|   |  |
|---|--|
| <b>Registry Account Number Series D</b> | <b>Principal Amount of the 6.05% Series D Bonds Covered by this Consent Form</b> |
|   |  |
| <b>Registry Account Number Series E</b> | <b>Principal Amount of the 5.93% Series E Bonds Covered by this Consent Form</b> |
|   |  |
| <b>Registry Account Number Series F</b> | <b>Principal Amount of the 6.60% Series F Bonds Covered by this Consent Form</b> |
|   |  |

Further, the undersigned Record Bondholder confirms that he, she or it has read and understood the provisions of the Consent Solicitation Statement, and acknowledges that by his, her or its execution and delivery of this Consent Form to the Trustee, he, she or it irrevocably and unconditionally agrees to be bound by and adhere to all of the terms and conditions set out in the Consent Solicitation Statement, including, without limitation, the provision that the Issuer’s undertaking to pay the Consent Fee is subject to the fulfillment of the conditions set out in paragraph 4(e) of the Consent Solicitation Statement (“*Conditions to Issuer’s Payment Obligations*”), including but not limited to the following: (1) the Trustee’s receipt of validly executed and delivered Consent Forms from Record Bondholders representing at least 51% of the aggregate principal amount of the Bonds on or before the Expiration Date; (2) the receipt by the Issuer of a certification from the trustee of the Series C Bonds that the Required Consents of the Series C Bonds to the Issuer’s Proposed Amendment to the Series C Bonds Trust Agreement have been obtained on or before the Series C Bonds Consent Expiration Date under the terms and conditions of the Series C Bonds Proposed Amendment Consent Solicitation; and (3) the execution and delivery by the Issuer and the Trustee of the Supplemental Agreement.

The undersigned Bondholder hereby makes the representations and warranties set out in paragraph 4(f) of the Consent Solicitation Statement (“*Representations and Warranties of Consenting Bondholders*”).

This Consent Form shall be governed by and construed in accordance with Philippine law.

Sincerely,

**(Signature(s) of the Record Bondholders to be affixed below)**

|   |  |
|---|--|
| <i>Signature Block for Record Bondholders who are natural persons:</i>  | <hr/> <p>Name of Record Bondholder:</p> <hr/> <p>Name of Record Bondholder:</p>                  |
| <i>Signature Block for Record Bondholders which are juridical entities (e.g., corporations or partnerships) or other entities</i> | <hr/> <p>Name of Record Bondholder:</p> <p>By:</p> <hr/> <p>Position:</p> <hr/> <p>Position:</p> |

**IMPORTANT NOTE TO RECORD BONDHOLDER:** In the event of a change in the authorized signatories of any Record Bondholder, such Record Bondholder must ensure that copies, certified by such Record Bondholder's corporate secretary, of the resolutions adopted by such Record Bondholder's board of directors or other appropriate body (or such other documents as the Registrar may reasonably require), together with the relevant specimen signatures of such signatories, are sent to the Trustee's address together with this executed Consent Form.

## **PRESS RELEASE**

Issue date: January 5, 2015

### ***San Miguel Brewery Inc. launches Consent Solicitation for Multi-Beverage Strategy***

San Miguel Brewery Inc. ("SMB") is undertaking a consent solicitation for proposed amendments to the Trust Agreement dated March 16, 2009 covering its outstanding 10.5% Series C Bonds due 2019 and the Trust Agreement dated March 15, 2012 covering its outstanding 6.05% Series D Bonds due 2017, 5.93% Series E Bonds due 2019, and 6.60% Series F Bonds due 2022. The proposed amendments will enable SMB to pursue its multi-beverage strategy and create consistency among the SMB's debt facilities.

Specifically, SMB is seeking the consent of the bondholders to align the terms of Section 7.2 (c) and (k) of the respective trust agreements with Section 7.2 (c) of the Trust Agreement dated March 14, 2014 covering SMB's Series G and H bonds, and thereby allow SMB to engage, or amend its articles of incorporation to engage, in the business of manufacturing, selling, distributing and/or dealing, in any and all kinds of beverage products

The consent solicitation begins January 5, 2015 and has an Expiration Date of January 30, 2015 (5pm, Philippines). Such dates may be adjusted to an earlier or later time and date by SMB in its sole discretion.

SMB will pay each consenting bondholder of record as of December 15, 2014 (5pm, Philippines) who delivers a validly-executed Consent Form to the Trustee on or before the Expiration Date, a Consent Fee of PhP1.25 per PhP1,000.00 of the principal amount of their bond subscriptions in respect of which the Consent Form is given. Payment of consent fees to consenting bondholders is conditional upon, among others, the submission of validly-executed Consent Forms delivered in time for receipt by the Trustee on or before the Expiration Date.

Details of the consent solicitation are set out in the Consent Solicitation Statement made available to each bondholder of record. The Consent Solicitation Statement and consent form may also be downloaded from SMB's website at [www.sanmiguelbrewery.com.ph](http://www.sanmiguelbrewery.com.ph).

ING Bank N.V., Manila Branch was appointed as Advisor for the consent solicitation. Other parties to the consent solicitation include BDO Capital and Investment Corporation, BPI Capital Corporation, China Banking Corporation, The Hongkong and Shanghai Banking Corporation Limited, and SB Capital Investment Corporation as Associates. The Bank of the Philippine Islands – Asset Management and Trust Group and Rizal Commercial Banking Corporation – Trust and Investments Group are the Trustees for the Series C and Series DEF Bonds, respectively. The Philippine Depository & Trust Corp. is the Registrar for the consent solicitation.

About SMB:

SMB is a Philippine-based company currently engaged in the manufacture and sale of fermented and malt-based beverages, particularly beer of all kinds and classes. SMB is the largest producer of beer in the Philippines.

*The information in this press release is qualified by reference to the Consent Solicitation Statement.*