

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached Consent Solicitation Statement. You are therefore advised to read this disclaimer carefully before reading, accessing, or making any other use of the attached Consent Solicitation Statement. In accessing the attached Consent Solicitation Statement, you agree to be bound by the following terms and conditions, including any modifications to it from time to time, each time you receive any information from to the Issuer, the Trustee, the Advisor, and the Associates (as such terms are defined in the attached Consent Solicitation Statement).

Confirmation of your representation: You have accessed the attached document on the basis that you have confirmed to the Issuer, the Trustee, the Advisor, and the Associates that (1) you are a holder or a beneficial owner of the Bonds referred to in the attached Consent Solicitation Statement, (2) you are a person to whom it is lawful to deliver, or to grant access to the attached Consent Solicitation Statement through electronic means, and (3) that you consent to the delivery of, or your being granted access to this document through electronic means.

You are reminded that you have accessed the attached Consent Solicitation Statement on the basis that you are a person to whom this Consent Solicitation Statement may be lawfully delivered or made available in accordance with the laws of the jurisdiction in which you are located, and you may not nor are you authorized to deliver this Consent Solicitation Statement to any other person.

This document has been made available to you in electronic form. You are reminded that documents made available to you through this medium may have been altered or changed during the process of electronic transmission or access and consequently the Issuer, the Trustee, the Advisor, the Associates, and their respective affiliates accept no liability or responsibility whatsoever in respect of any difference between this electronic version of the Consent Solicitation Statement made available to you and the hard copy version.

You are responsible for protecting against computer viruses and other destructive items. Your use of this electronic document is at your own risk and it is your responsibility to take precautions to ensure that it is free from computer viruses and other items of a destructive nature.



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

TABLE OF CONTENTS

	<u>Page</u>
IMPORTANT INFORMATION	1
IMPORTANT DATES FOR THE CONSENT SOLICITATION	3
SUMMARY OF THE CONSENT SOLICITATION	4
THE BONDS	7
THE CONSENT SOLICITATION.....	7
 ANNEX A (CONSENT FORM)	

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.

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.

Date	Event
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.

<i>The Bonds</i>	6.05% Series D Bonds due 2017 5.93% Series E Bonds due 2019, and 6.60% Series F Bonds due 2022
<i>Consent Solicitation</i>	<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>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.</p>
<i>Consent Fee</i>	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.
<i>Trust Agreement</i>	The Trust Agreement dated March 15, 2012 by and between the Issuer and the Trustee.
<i>Supplemental Agreement</i>	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.

<i>Trustee</i>	Rizal Commercial Banking Corporation
<i>Required Consents</i>	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.
<i>Expiration Date</i>	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.
<i>Record Date</i>	5:00 p.m. (Philippine time) of December 15, 2014
<i>Conditions to Issuer's Payment Obligations</i>	<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"> (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. <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>

<i>How to Deliver Consents</i>	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> ”).
<i>Irrevocability of Consents</i>	Consents are irrevocable once delivered to the Trustee.
<i>Assistance and Information</i>	<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 www.sanmiguelbrewery.com.ph.</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>
<i>Income Tax Considerations</i>	For a summary of certain Philippine income tax consequences in connection with the Consents and the Proposed Amendment, see “ <i>Certain Tax Considerations</i> .”
<i>Consequences to Non-Consenting Holders</i>	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.
<i>Advisor</i>	ING Bank N.V., Manila Branch
<i>Associates</i>	<p>BDO Capital & 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.

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. 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

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

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 / 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

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 / mcsandiego@chinabank.ph / 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

18th 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

37th 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

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